

GAVEL-TO-GAVEL COVERAGE OF THE 2007 MINNESOTA LEGISLATIVE SESSION

INSURANCE MINIMUM INCREASE FOR LICENSED BUILDING CONTRACTORS

General liability insurance minimums for licensed building contractors will be changed based on language signed into law by Governor Pawlenty on March 27. Legislation sponsored by Rep. Joe Atkins (DFL-Inver Grove Heights) and Senator Dan Sparks (DFL-Austin) requires licensed manufactured home installers and roofers to carry the following general liability policy minimums:

\$100,000 per occurrence, \$300,000 aggregate limit for bodily injury and \$25,000 for property damage;

or

A policy with a single limit for bodily injury and property damage of \$300,000 and \$300,000 aggregate limits.

Previous limits were set at \$100,000 per occurrence, which included \$10,000 in property damage. A certificate of insurance must also be filed with the commissioner of labor and industry under the new law. It is effective on August 1, 2007.

NAMES AND NUMBERS

Senate

Senate Information.....651-296-0504
Majority Leader Larry Pogemiller.....651-296-7809
Minority Leader Dave Senjem.....651-296-3903

House

House Information.....651-296-2146
Speaker Margaret Anderson Kelliher 651-296-0171
Majority Leader Tony Sertich651-296-0172
Minority Leader Marty Seifert651-296-5374

PUBLISHER and EDITOR: PETER COYLE
CONTRIBUTORS: JULIE PERRUS AND
MARNIE MOORE-LINDMAN
1500 WELLS FARGO PLAZA
7900 XERXES AVENUE SOUTH
MINNEAPOLIS, MN 55431
PHONE: 952-835-3800
FAX: 952-896-3333
EMAIL: pcoyle@larkinhoffman.com
www.larkinhoffman.com

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ISSUES TO WATCH:

MID-SESSION UPDATE

by Julie Perrus

As spring break at the Legislature wraps up, it is worth reflecting on the activities of the House and Senate in the first two months of the session. While it is arguable that the critical work occurs in the last several weeks of the session, neither body has been stagnant. Omnibus bills have passed off the floor of the Senate and out of House committees. Policy bills have moved through the House and will be completed in the Senate this weekend. Here is a sampling of the issues that have been the focus of debate:

- 1) The Senate approved a new tax bracket in its Omnibus Education Bill, which would add 2 percent each year to the general education formula. The new bracket, with an individual income tax rate of 9.7 percent, includes married taxpayers filing jointly with taxable incomes over \$250,000, married taxpayers filing separately with taxable incomes over \$125,000, single taxpayers with taxable incomes over \$141,250 and head-of household taxpayers with taxable incomes over \$212,500.
- 2) The House is discussing broad property tax relief, in part based on the approval of the new fourth tier income tax. Rep. Paul Marquart (DFL-Dilworth) has proposed that the amount a homeowner pays in property taxes be based on income, rather than the value of the home. Some legislators believe that property taxes should be based on the ability to pay, which would help seniors, low income families and farmers.
- 3) The House and Senate have included provisions in the Higher Education Omnibus Bill that would allow foreign-born students to receive in-state tuition from Minnesota schools if: (a) they have attended at least three years of school at a Minnesota high school; (b) graduated from a state high school or attained a GED in the state; and (c) have registered or enrolled at a public higher education institution.
- 4) Gift card restrictions are continuing to move in both the House and the Senate, which prohibit expiration dates and service fees on the cards. These restrictions do not apply to cards issued by banks. Senator Katie Sieben (DFL-Newport) and Rep. Joe Atkins (DFL-Inver Grove Heights) are the bill sponsors.

Governor Pawlenty has promised to veto any tax increases. This will lead to some tough negotiating between the Governor and House and Senate leadership over the next two months.

DEADLINES FOR 2007 LEGISLATIVE SESSION:

Saturday, April 14: All policy bills must pass the relevant Senate policy committee(s).

Friday, April 27: House and Senate leadership must establish joint revenue and expenditure limits for conference committees.