

May 27, 2008

Governor Tim Pawlenty Office of the Governor 130 State Capitol 75 Dr. Martin Luther King Jr. Blvd. St. Paul, MN 55155

Dear Governor Pawlenty,

This letter is intended to incorporate our agreement regarding two provisions in H.F. No. 3149, the 2008 Omnibus Tax Bill.

First, with respect to Article 3, section 5, the temporary suspension of county maintenance of effort and matching requirements, we agree to repeal that provision retroactive to the date of its original enactment. The intent and shared understanding of the conferees on the tax bill was that implementation of this provision would not have an impact on the state budget.

Second, with respect to Article 17, section 4, we also agree to repeal that provision retroactive to the date of its original enactment, and intend to replace it with a credit for health insurance premiums paid by previously uninsured individuals with limited household incomes. The Commissioner of Commerce has authority under Article 17, section 4, subdivision 2, to delay applications for the credits that would have been available under the current provision.

Our intention is to have introduced and enacted a separate bill that includes only these provisions as early as possible in the 2009 legislative session.

Sincerely,

Lawrence J. Pogemiller

Senate Majority Leader

Senator Tom Bakk

Senate Tax Committee Chair

Margaret Anderson Kelliher

Margaret Anderer Le

Speaker of the House

Representative Ann Lenczewski

House Tax Committee Chair