

Minnesota House of Representatives

June 1, 2016

116 Veterans Service Building 20 W 12th Street St. Paul, MN 55155

Governor Dayton,

Thank you for your letter detailing your requests for calling a special session.

Regarding the two concerns you listed about the Omnibus Tax Bill, the first was a drafting error, which can be remedied with or without legislative action. The second, we agree to permanently reinstate the Minnesota High School League's Tax Exemption. The *Star Tribune* reported comments from you that inaccurately characterized the absence of that provision as an act of retribution on our part. This could not be further from the truth, and both Senate DFL and House Republican Tax Chairs have confirmed our position.

Last week at your press conference you stated: "with the special session, whether or not there's going to be a bonding bill, one of the requirements to do that are matters that are standalone. I'm not going to hold the tax cuts for people or the supplemental budget, the areas that they did fund, I'm not going to hold those hostage to the other considerations. I think the bonding and transportation should be considered and acted on their own merits."

In addition, on May 19 you told reporters "I made very clear to them [Senate DFL & House Republicans] that this tax bill is half of this package, but it won't suffice for my support on a standalone basis."

Out of respect for your commitment to address taxes and supplemental spending separately from bonding and transportation, we agree to make those two tax changes, enabling you to sign the Omnibus Tax Bill as written. This also allows you to sign the Supplemental Budget Bill, as you have earlier today, and the Omnibus Tax Bill as a "package" as you stated earlier.

Now that we have agreement on the outstanding issues with the Omnibus Tax Bill, we look forward to your signature on that legislation. Once you have taken action, we look forward to meeting with you and the other leaders to discuss your special session requests.

Sincerely,

Kurt Daudt Speaker of the House