

Senators Scheid, Kelley, Pappas, Wergin and Gaither introduced--

S.F. No. 547: Referred to the Committee on State and Local Government Operations.

1 A bill for an act

2 relating to state employment; ratifying certain labor
3 agreements, arbitration awards, compensation plans,
4 and salary increases.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

6 Section 1. [LABOR AGREEMENTS AND COMPENSATION PLANS.]

7 Subdivision 1. [AMERICAN FEDERATION OF STATE, COUNTY, AND
8 MUNICIPAL EMPLOYEES.] The arbitration award and labor agreement
9 between the state of Minnesota and the American Federation of
10 State, County, and Municipal Employees, unit 8, approved by the
11 Legislative Coordinating Commission Subcommittee on Employee
12 Relations on June 14, 2004, is ratified.

13 Subd. 2. [MINNESOTA LAW ENFORCEMENT ASSOCIATION;
14 ARBITRATION AWARD.] The arbitration award between the state of
15 Minnesota and the Minnesota Law Enforcement Association,
16 approved by the Legislative Coordinating Commission Subcommittee
17 on Employee Relations on June 14, 2004, is ratified.

18 Subd. 3. [HIGHER EDUCATION SERVICES OFFICE; COMPENSATION
19 PLAN.] The compensation plan for unrepresented employees of the
20 Higher Education Services Office, approved by the Legislative
21 Coordinating Commission Subcommittee on Employee Relations on
22 June 14, 2004, is ratified.

23 Subd. 4. [MINNESOTA LAW ENFORCEMENT ASSOCIATION;
24 BARGAINING AGREEMENT.] The collective bargaining agreement
25 between the state of Minnesota and the Minnesota Law Enforcement

1 Association, submitted to the Legislative Coordinating
2 Commission Subcommittee on Employee Relations on September 29,
3 2004, and implemented after 30 days on October 30, 2004, is
4 ratified.

5 Subd. 5. [INTER FACULTY ORGANIZATION.] The collective
6 bargaining agreement between the state of Minnesota and the
7 Inter Faculty Organization, submitted to the Legislative
8 Coordinating Commission Subcommittee on Employee Relations on
9 September 29, 2004, and implemented after 30 days on October 29,
10 2004, is ratified.

11 Subd. 6. [MINNESOTA NURSES ASSOCIATION.] The arbitration
12 award and the collective bargaining agreement between the state
13 of Minnesota and the Minnesota Nurses Association, approved by
14 the Legislative Coordinating Commission Subcommittee on Employee
15 Relations on December 20, 2004, is ratified.

16 Subd. 7. [TEACHERS RETIREMENT ASSOCIATION.] The proposal
17 to increase the salary of the executive director of the Teachers
18 Retirement Association, as modified and approved by the
19 Legislative Coordinating Commission Subcommittee on Employee
20 Relations on December 20, 2004, is ratified.

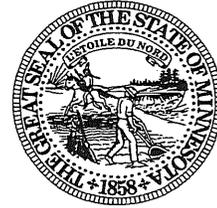
21 Subd. 8. [MINNESOTA STATE RETIREMENT SYSTEM.] The proposal
22 to increase the salary of the executive director of the
23 Minnesota State Retirement System, as modified and approved by
24 the Legislative Coordinating Commission Subcommittee on Employee
25 Relations on December 20, 2004, is ratified.

26 Subd. 9. [PUBLIC EMPLOYEES RETIREMENT ASSOCIATION.] The
27 proposal to increase the salary of the executive director of the
28 Public Employees Retirement Association, as modified and
29 approved by the Legislative Coordinating Commission Subcommittee
30 on Employee Relations on December 20, 2004, is ratified.

31 Sec. 2. [EFFECTIVE DATE.]

32 Section 1 is effective the day following final enactment.

**Subcommittee on Employee Relations
Legislative Coordinating Commission**



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Senate

Senator Linda Scheid, Chair
Senator David Gaither, Secretary
Senator Steve Kelley
Senator Sandra Pappas
Senator Betsy Wergin

House

Representative Bill Haas, Vice Chair
Representative Chris DeLaForest
Representative Kent Eken
Representative Jim Knoblach
Representative Michael Paymar

DATE: March 17, 2005
TO: Members of the Senate State Government Budget Division
FROM: Greg Hubinger
RE: S.F. 547: State Employee Contract Ratification Bill

Background. This bill approves several collective bargaining agreements, compensation plans and salaries for certain agency heads in the executive branch. Each of the contracts, plans and salaries was reviewed by the LCC Subcommittee on Employee Relations and given interim approval. If the legislature does not ratify the contracts, the terms and conditions of employment provided in the new contracts are voided.

Contracts covering most state employees were settled and ratified by the 2004 legislature. However, not all bargaining units were able to settle their contracts in time to have them considered in the last session.

Like the earlier contracts, these contracts and plans provide for no across-the-board salary increases. Employees who are not at the top of their salary ranges generally received step increases if they have satisfactory or better work performance.

The Department of Employee Relations estimates that the increased costs of these collective bargaining agreements and plans will be 1.4% in this biennium, with an impact of 3.95% on the next biennium. A spreadsheet showing the costs of each agreement and plan is attached.

Insurance provisions for these contracts are consistent with those that were previously settled and ratified.

Contract/Compensation Plan Summaries

Section 1

Subd. 1. Correctional Guards arbitration award and collective bargaining agreement.

DOER and the Correctional Guards, represented by AFSCME, were unable to reach a voluntary agreement. Because this bargaining unit is considered essential under PERLA, binding interest arbitration was used to resolve the issues at impasse. The unit includes 1,775 employees.

As a result of the arbitrator's award and negotiated settlement of several issues, employees will not receive any across-the-board increases in this contract. All eligible employees continue to receive step increases on their anniversary dates. These step increases typically cost about 2.9%. Approximately 41% of employees are at the top of their salary ranges and are ineligible to receive these increases. In order to receive a step increase, the employee must demonstrate satisfactory or better performance.

Subd. 2. Law Enforcement Unit arbitration award. DOER and the Minnesota Law Enforcement Association (MLEA), an essential bargaining unit, were unable to reach a voluntary settlement and went to binding interest arbitration. The MLEA represents State Troopers, Conservation Officers, Special Agents in the BCA and the Alcohol and Gambling Enforcement Division in Public Safety, and Fugitive Specialists in the Department of Corrections. There are approximately 700 employees in the bargaining unit.

The parties reached voluntary agreement on all issues except for across-the-board increases. The arbitrator did not award across-the-board increases, as was proposed by the union.

Subd. 3 HESO Compensation Plan. This plan defines terms and conditions of employment for approximately 45 employees in the Higher Education Services Office. It provided for no across-the-board increases in either year. The plan provides performance-based increases on January 1st of each year, which are limited to 2.75%. These increases are dependent on the availability of funds.

Subd. 4. Law Enforcement Unit negotiated provisions. While DOER and this bargaining unit resolved the issue of across-the-board increases through arbitration, they resolved other issues through negotiations.

Eligible employees receive step increases on their anniversary date. Employees at the top of their salary ranges are not eligible for these increases. Approximately 40% of the employees are eligible for these increases, which average 4%.

Subd 5. State University Faculty collective bargaining agreement. MnSCU negotiated a voluntary agreement with the Inter Faculty Organization, which represents 2,503 FTE faculty (3,387 head count) at state universities.

The agreement provided for no across-the-board increase in either year. All eligible faculty receive a step increase on July 1, 2004, equal to a 2.4% increase. Employees at the top of their salary ranges will receive a lump sum payment of \$2,400 (not added to their salary base). This is equivalent to about 2.4%. Salary ranges are not adjusted.

Subd. 6. Nurses arbitration award and collective bargaining agreement. The state and the Minnesota Nurses Association (MNA) were unable to reach a negotiated settlement and were referred to arbitration. This bargaining unit represents approximately 770 registered nurses. Most are employed at the Departments of Human Services, Corrections, Health and the Veterans' Homes.

As a result of the arbitrator's award and negotiated settlement of several issues, nurses will not receive any across-the-board increases. All eligible nurses continue to receive step increases on their anniversary dates. These step increases typically cost about 3.4%. Approximately 39% of nurses are at the top of their salary ranges and are ineligible to receive these increases.

Subd. 7. TRA director salary. This subdivision ratifies the decision of the Subcommittee to modify and then approve a proposal of the board of the Teachers Retirement Association to increase the salary of the director. The approved increase changes the current salary of \$95,640 to \$99,950.

Subd. 8. MSRS director salary. This subdivision ratifies the decision of the Subcommittee to modify and then approve a proposal of the board of the Minnesota State Retirement System to increase the salary of the director. The approved increase changes the current salary of \$95,640 to \$99,950.

Subd. 9. PERA director salary. This subdivision ratifies the decision of the Subcommittee to modify and then approve a proposal of the board of the Public Employees Retirement Association to increase the salary of the director. The approved increase changes the current salary of \$95,640 to \$99,950.

Section 2 provides for section 1 being effective the day following enactment.

Attach: State employee settlements
Agency-head salary sheet

STATE EMPLOYEE SALARY SETTLEMENTS

FY 2004-2005 ESTIMATED COSTS

LCC Subcommittee on Employee Relations

December 13, 2004

Bargaining Unit	Across the board increases (% increase)				BIENNIAL BASE(1)	BIENNIAL NEW MONEY (1)	% INCREASE (2)	% INCREASE BIENNIUM TO BIENNIUM (3)
	7/1/2003	1/1/2003	7/1/2004	1/1/2005				
AFSCME, Council 6 (excluding Unit 8)					\$1,461,070,000	\$14,760,000	1.01%	3.76%
> AFSCME, Council 6, Unit 8, Correctional Guards					\$188,128,000	\$1,297,000	0.69%	3.08%
MN Association of Professional Employees					\$1,347,867,000	\$22,220,000	1.65%	4.74%
Middle Management Association					\$426,000,000	\$6,450,000	1.51%	4.36%
MN Government Engineers Council								
> Minnesota Nurses Association					\$98,755,000	\$876,000	0.89%	3.16%
> MN Law Enforcement Association					\$98,164,000	\$1,083,000	1.10%	3.69%
State Residential Schools Education Assoc					\$23,300,000	\$372,000	1.60%	3.85%
> State University Inter Faculty Organization					\$430,234,728	\$7,916,153	1.84%	4.14%
MN State University Admin & Service Faculty					\$72,783,462	\$1,382,143	1.90%	2.65%
Minnesota State College Faculty					\$569,187,356	\$9,431,959	1.66%	3.85%
Personnel Plan for MnSCU administrators					\$123,196,000	\$2,126,000	1.73%	3.51%
> Higher Education Services Office Plan					\$6,200,772	\$152,244	2.46%	6.45%
Managerial Plan					\$232,935,000	\$3,202,000	1.37%	3.64%
Commissioners Plan (4)					\$142,878,000	\$2,326,000	1.63%	4.37%
TOTAL					\$5,220,699,318	\$73,594,499	1.41%	3.95%

The ">" indicates proposed contract or plan not yet acted on by the Subcommittee.

(1) Includes all funds, including higher education agencies. Includes salaries, steps, FICA, insurance & pension.

(2) Percent of new money needed over base.

(3) This percentage reflects the annualized cost of the increases granted during the biennium.

This figure depicts all of the costs of the contract, including "tails."

(4) Groups within plan follow lead of comparable bargaining units.

1 A bill for an act
2 relating to government data practices; providing a
3 maximum copy fee for certain copies of data; amending
4 Minnesota Statutes 2004, section 13.03, subdivision 3.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

6 Section 1. Minnesota Statutes 2004, section 13.03,
7 subdivision 3, is amended to read:

8 Subd. 3. [REQUEST FOR ACCESS TO DATA.] (a) Upon request to
9 a responsible authority or designee, a person shall be permitted
10 to inspect and copy public government data at reasonable times
11 and places, and, upon request, shall be informed of the data's
12 meaning. If a person requests access for the purpose of
13 inspection, the responsible authority may not assess a charge or
14 require the requesting person to pay a fee to inspect data.

15 (b) For purposes of this section, "inspection" includes,
16 but is not limited to, the visual inspection of paper and
17 similar types of government data. Inspection does not include
18 printing copies by the government entity, unless printing a copy
19 is the only method to provide for inspection of the data. In
20 the case of data stored in electronic form and made available in
21 electronic form on a remote access basis to the public by the
22 government entity, inspection includes remote access to the data
23 by the public and the ability to print copies of or download the
24 data on the public's own computer equipment. Nothing in this
25 section prohibits a government entity from charging a reasonable

1 fee for remote access to data under a specific statutory grant
2 of authority. A government entity may charge a fee for remote
3 access to data where either the data or the access is enhanced
4 at the request of the person seeking access.

5 (c) The responsible authority or designee shall provide
6 copies of public data upon request. If a person requests copies
7 or electronic transmittal of the data to the person, the
8 responsible authority may require the requesting person to pay
9 the actual costs of searching for and retrieving government
10 data, including the cost of employee time, and for making,
11 certifying, compiling, and electronically transmitting the
12 copies of the data or the data, but may not charge for
13 separating public from not public data. However, if 300 or
14 fewer paper copies are requested, for readily available
15 documents actual costs shall not be used, and instead the
16 responsible authority may assess a set fee per copy, which shall
17 not exceed 25 cents for each separate page. If the responsible
18 authority or designee is not able to provide copies at the time
19 a request is made, copies shall be supplied as soon as
20 reasonably possible.

21 (d) When a request under this subdivision involves any
22 person's receipt of copies of public government data that has
23 commercial value and is a substantial and discrete portion of or
24 an entire formula, pattern, compilation, program, device,
25 method, technique, process, database, or system developed with a
26 significant expenditure of public funds by the agency, the
27 responsible authority may charge a reasonable fee for the
28 information in addition to the costs of making, certifying, and
29 compiling the copies. Any fee charged must be clearly
30 demonstrated by the agency to relate to the actual development
31 costs of the information. The responsible authority, upon the
32 request of any person, shall provide sufficient documentation to
33 explain and justify the fee being charged.

34 (e) The responsible authority of a state agency, statewide
35 system, or political subdivision that maintains public
36 government data in a computer storage medium shall provide to

1 any person making a request under this section a copy of any
2 public data contained in that medium, in electronic form, if the
3 government entity can reasonably make the copy or have a copy
4 made. This does not require a government entity to provide the
5 data in an electronic format or program that is different from
6 the format or program in which the data are maintained by the
7 government entity. The entity may require the requesting person
8 to pay the actual cost of providing the copy.

9 (f) If the responsible authority or designee determines
10 that the requested data is classified so as to deny the
11 requesting person access, the responsible authority or designee
12 shall inform the requesting person of the determination either
13 orally at the time of the request, or in writing as soon after
14 that time as possible, and shall cite the specific statutory
15 section, temporary classification, or specific provision of
16 federal law on which the determination is based. Upon the
17 request of any person denied access to data, the responsible
18 authority or designee shall certify in writing that the request
19 has been denied and cite the specific statutory section,
20 temporary classification, or specific provision of federal law
21 upon which the denial was based.

Pass

1 Senator *Lawson* moves to amend S.F. No. 966 as follows:

2 Page 2, lines 13 to 17, delete the new language, and insert

3 "However, if 100 or fewer ^{pages of} black and white, letter or legal size ^{paper}

4 pages are requested, actual costs shall not be used, and

5 instead, the responsible authority may charge no more than 25

6 cents for each page copied."

Consolidated Fiscal Note – 2005-06 Session

Bill #: S0966-1E Complete Date: 04/12/05

Chief Author: BETZOLD, DON

Title: GOVT DATA COPIES MAXIMUM SET FEE

Fiscal Impact	Yes	No
State	X	
Local		X
Fee/Departmental Earnings	X	
Tax Revenue		X

Agencies: Labor & Industry (04/11/05)
 Administrative Hearings (04/08/05)
 Emergency Medical Svs Reg Bd (04/11/05)
 Commerce (04/05/05)

Secretary Of State (04/06/05)
 Employment & Economic Dev Dept (04/05/05)
 Agriculture Dept (04/11/05)

This table reflects fiscal impact to state government. Local government impact is reflected in the narrative only.

Dollars (in thousands)	FY05	FY06	FY07	FY08	FY09
Net Expenditures					
Workers Compensation Fund					
Labor & Industry					
Revenues					
Workers Compensation Fund		(158)	(158)	(158)	(158)
Labor & Industry		(158)	(158)	(158)	(158)
Net Cost <Savings>					
Workers Compensation Fund		158	158	158	158
Labor & Industry		158	158	158	158
Total Cost <Savings> to the State		158	158	158	158

	FY05	FY06	FY07	FY08	FY09
Full Time Equivalents					
-- No Impact --					
Total FTE					

Consolidated EBO Comments

I have reviewed this Fiscal Note for accuracy and content.

EBO Signature: KEITH BOGUT
 Date: 04/12/05 Phone: 296-7642

Fiscal Note – 2005-06 Session

Bill #: S0966-1E Complete Date: 04/11/05

Chief Author: BETZOLD, DON

Title: GOVT DATA COPIES MAXIMUM SET FEE

Fiscal Impact	Yes	No
State	X	
Local		X
Fee/Departmental Earnings	X	
Tax Revenue		X

Agency Name: Labor & Industry

This table reflects fiscal impact to state government. Local government impact is reflected in the narrative only.

Dollars (in thousands)	FY05	FY06	FY07	FY08	FY09
Expenditures					
Workers Compensation Fund					
Less Agency Can Absorb					
-- No Impact --					
Net Expenditures					
Workers Compensation Fund					
Revenues					
Workers Compensation Fund		(158)	(158)	(158)	(158)
Net Cost <Savings>					
Workers Compensation Fund		158	158	158	158
Total Cost <Savings> to the State		158	158	158	158

	FY05	FY06	FY07	FY08	FY09
Full Time Equivalents					
-- No Impact --					
Total FTE					

Bill Description

Minnesota Statutes section 13.03, subdivision 3(c) states that the responsible authority or designee shall provide copies of public data upon request. If a person requests copies or electronic transmittal of the data to the person, the responsible authority may require the requesting person to pay the actual costs of searching for and retrieving government data, including the cost of employee time, and for making, certifying, compiling, and transmitting the data.

This bill establishes a maximum fee of 25 cents per page that an agency may charge for providing paper copies of documents that are readily available if the quantity of requested documents are 300 or fewer rather than using the actual costs of producing the copies.

Assumptions

The Department of Labor and Industry's Copy File Review (CFR) unit provides copies of workers' compensation documents to requesting parties. CFR receives 400 to 450 requests for paper copies of documents per month, 98% of which are for less than 300 pages per request. Total estimated number of pages per year is 408,000. CFR recovers its costs by charging the requesting parties a fee of 65 cents per page. By reducing the fee collected, the CFR unit will no longer recover 100% of its costs and would require supplemental funding from the workers' compensation fund.

Expenditure and/or Revenue Formula

Cost of providing copies	\$260,000
Recovery @ 25 cents	102,000
Additional funds required	\$158,000

References/Sources

Copy File Review

Agency Contact Name: Michael Gaustad (651-284-5464)
FN Coord Signature: CINDY FARRELL
Date: 04/11/05 Phone: 284-5528

EBO Comments

I have reviewed this Fiscal Note for accuracy and content.

EBO Signature: KEITH BOGUT
Date: 04/11/05 Phone: 296-7642

Fiscal Note – 2005-06 Session

Bill #: S0966-1E **Complete Date:** 04/11/05

Chief Author: BETZOLD, DON

Title: GOVT DATA COPIES MAXIMUM SET FEE

Fiscal Impact	Yes	No
State		X
Local		X
Fee/Departmental Earnings		X
Tax Revenue		X

Agency Name: Emergency Medical Svs Reg Bd

This table reflects fiscal impact to state government. Local government impact is reflected in the narrative only.

Dollars (in thousands)	FY05	FY06	FY07	FY08	FY09
Expenditures					
-- No Impact --					
Less Agency Can Absorb					
-- No Impact --					
Net Expenditures					
-- No Impact --					
Revenues					
-- No Impact --					
Net Cost <Savings>					
-- No Impact --					
Total Cost <Savings> to the State					

	FY05	FY06	FY07	FY08	FY09
Full Time Equivalents					
-- No Impact --					
Total FTE					

Bill Description

SF 0966-1E – Government Data Copies Maximum Set Fee

This bill establishes a maximum fee of 25 cents per page that an agency may charge for providing paper copies of documents that are readily available if the quantity of requested documents are less than 300.

Assumptions

Expenditure and/or Revenue Formula

The number of requests for paper copies of documents the Emergency Medical Services Regulatory Board receives is negligible; therefore, there is no fiscal impact.

Long-Term Fiscal Considerations

Local Government Costs

References/Sources

FN Coord Signature: JULI VANGSNESS
Date: 04/06/05 Phone: 617-2120

FN Coord Signature: JULI VANGSNESS
Date: 04/11/05 Phone: 617-2120

EBO Comments

I have reviewed this Fiscal Note for accuracy and content.

EBO Signature: DOUG GREEN
Date: 04/11/05 Phone: 286-5618

Fiscal Note – 2005-06 Session

Bill #: S0966-1E **Complete Date:** 04/11/05

Chief Author: BETZOLD, DON

Title: GOVT DATA COPIES MAXIMUM SET FEE

Fiscal Impact	Yes	No
State		X
Local		X
Fee/Departmental Earnings		X
Tax Revenue		X

Agency Name: Agriculture Dept

This table reflects fiscal impact to state government. Local government impact is reflected in the narrative only.

Dollars (in thousands)	FY05	FY06	FY07	FY08	FY09
Expenditures					
-- No Impact --					
Less Agency Can Absorb					
-- No Impact --					
Net Expenditures					
-- No Impact --					
Revenues					
-- No Impact --					
Net Cost <Savings>					
-- No Impact --					
Total Cost <Savings> to the State					

	FY05	FY06	FY07	FY08	FY09
Full Time Equivalents					
-- No Impact --					
Total FTE					

This bill version has no fiscal effect on our agency.

The Department of Agriculture (MDA) receives numerous and highly detailed requests for information. However, the department already follows the proposed data practices requirements in this bill.

MDA currently charges nothing for copies if the request is for ten or fewer pages. If the request is for more than ten pages, the charge is \$0.25 per page plus \$15 per hour for search/retrieval time after the first half hour, for which there is no charge.

Retrieval charges are rarely made. M.S. 13.03 requires government data to be kept easily accessible. The time required to process data requests is not normally in compiling the data, but rather in reviewing the data for any non-public data. M.S. 13.03 does not allow charges to be made for this type of work.

FN Coord Signature: STEVE ERNEST

Date: 04/11/05 Phone: 215-5770

EBO Comments

I have reviewed this Fiscal Note for accuracy and content.

EBO Signature: LEONIE HUANG

Date: 04/11/05 Phone: 296-5779

Fiscal Note – 2005-06 Session

Bill #: S0966-1E **Complete Date:** 04/06/05

Chief Author: BETZOLD, DON

Title: GOVT DATA COPIES MAXIMUM SET FEE

Fiscal Impact	Yes	No
State		X
Local		X
Fee/Departmental Earnings		X
Tax Revenue		X

Agency Name: Secretary Of State

This table reflects fiscal impact to state government. Local government impact is reflected in the narrative only.

Dollars (in thousands)	FY05	FY06	FY07	FY08	FY09
Expenditures					
-- No Impact --					
Less Agency Can Absorb					
-- No Impact --					
Net Expenditures					
-- No Impact --					
Revenues					
-- No Impact --					
Net Cost <Savings>					
-- No Impact --					
Total Cost <Savings> to the State					

	FY05	FY06	FY07	FY08	FY09
Full Time Equivalents					
-- No Impact --					
Total FTE					

We have reviewed the bill and determined there is no fiscal impact to our agency.

Agency contact:
Alberto Quintela
651-201-1321

Agency Contact Name: Alberto Quintela 651-201-1321
FN Coord Signature: KATHY HJELM
Date: 04/05/05 Phone: 201-1361

EBO Comments

I have reviewed this Fiscal Note for accuracy and content.

EBO Signature: TIM JAHNKE
Date: 04/06/05 Phone: 296-6237

Fiscal Note – 2005-06 Session

Bill #: S0966-1E **Complete Date:** 04/08/05

Chief Author: BETZOLD, DON

Title: GOVT DATA COPIES MAXIMUM SET FEE

Fiscal Impact	Yes	No
State		X
Local		X
Fee/Departmental Earnings		X
Tax Revenue		X

Agency Name: Administrative Hearings

This table reflects fiscal impact to state government. Local government impact is reflected in the narrative only.

Dollars (in thousands)	FY05	FY06	FY07	FY08	FY09
Expenditures					
-- No Impact --					
Less Agency Can Absorb					
-- No Impact --					
Net Expenditures					
-- No Impact --					
Revenues					
-- No Impact --					
Net Cost <Savings>					
-- No Impact --					
Total Cost <Savings> to the State					

	FY05	FY06	FY07	FY08	FY09
Full Time Equivalent					
-- No Impact --					
Total FTE					

This bill version has no fiscal effect on our agency.

This bill deals with requests pursuant to Chapter 13 to inspect and copy public documents. It provides that agencies cannot charge actual costs when the request is for 300 or fewer paper copies of documents that are readily available. Rather, in such cases agencies must assess a copy charge of 25 cents per copy.

OAH policy and practice has been, and currently is, to assess a per copy charge of 25 cents per copy for paper copies of documents that are readily available in cases involving requests for 300 or fewer copies. The bill will therefore involve no fiscal impact for OAH.

FN Coord Signature: SUSAN SCHLEISMAN
Date: 04/07/05 Phone: 341-7644

EBO Comments

I have reviewed this Fiscal Note for accuracy and content.

EBO Signature: TIM JAHNKE
Date: 04/08/05 Phone: 296-6237

Fiscal Note – 2005-06 Session

Bill #: S0966-1E **Complete Date:** 04/05/05

Chief Author: BETZOLD, DON

Title: GOVT DATA COPIES MAXIMUM SET FEE

Fiscal Impact	Yes	No
State		X
Local		X
Fee/Departmental Earnings		X
Tax Revenue		X

Agency Name: Employment & Economic Dev Dept

This table reflects fiscal impact to state government. Local government impact is reflected in the narrative only.

Dollars (in thousands)	FY05	FY06	FY07	FY08	FY09
Expenditures					
-- No Impact --					
Less Agency Can Absorb					
-- No Impact --					
Net Expenditures					
-- No Impact --					
Revenues					
-- No Impact --					
Net Cost <Savings>					
-- No Impact --					
Total Cost <Savings> to the State					

	FY05	FY06	FY07	FY08	FY09
Full Time Equivalents					
-- No Impact --					
Total FTE					

This bill version has no fiscal effect on our agency.

FN Coord Signature: MIKE MEYER

Date: 04/05/05 Phone: 297-1978

EBO Comments

I have reviewed this Fiscal Note for accuracy and content.

EBO Signature: KEITH BOGUT

Date: 04/05/05 Phone: 296-7642

Fiscal Note – 2005-06 Session

Bill #: S0966-1E **Complete Date:** 04/05/05

Chief Author: BETZOLD, DON

Title: GOVT DATA COPIES MAXIMUM SET FEE

Fiscal Impact	Yes	No
State		X
Local		X
Fee/Departmental Earnings		X
Tax Revenue		X

Agency Name: Commerce

This table reflects fiscal impact to state government. Local government impact is reflected in the narrative only.

Dollars (in thousands)	FY05	FY06	FY07	FY08	FY09
Expenditures					
-- No Impact --					
Less Agency Can Absorb					
-- No Impact --					
Net Expenditures					
-- No Impact --					
Revenues					
-- No Impact --					
Net Cost <Savings>					
-- No Impact --					
Total Cost <Savings> to the State					

	FY05	FY06	FY07	FY08	FY09
Full Time Equivalents					
-- No Impact --					
Total FTE					

Bill Description

Senate File 966-1E proposes to set a maximum of \$0.25 per page for document copies.

Assumptions

- 1) The Department of Commerce does not charge more than \$0.25 per page for copies.
- 2) The amended statute will not affect the department's fees or services.
- 3) The department is in the process of making many documents available electronically, via the Internet, at no charge.

Expenditure and/or Revenue Formula

Not applicable.

Long-Term Fiscal Considerations

None.

Local Government Costs

None.

References/Sources

Karen Santori
karen.santori@state.mn.us

FN Coord Signature: MICHAEL F. BLACIK
Date: 04/05/05 Phone: 297-2117

EBO Comments

I have reviewed this Fiscal Note for accuracy and content.

EBO Signature: KEITH BOGUT
Date: 04/05/05 Phone: 296-7642

1 A bill for an act

2 relating to local government; authorizing the state
3 auditor to waive certain rules and laws applying to
4 local government units; creating a grants board to
5 fund cooperative efforts in public service delivery;
6 proposing coding for new law in Minnesota Statutes,
7 chapter 6.

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

9 LOCAL GOVERNMENT WAIVERS AND GRANTS

10 Section 1. [6.79] [DUTIES OF STATE AUDITOR.]

11 The state auditor shall:

12 (1) accept applications from local government units for
13 waivers of administrative rules and temporary, limited
14 exemptions from enforcement of procedural requirements in state
15 law, and determine whether to approve, modify, or reject the
16 application; and

17 (2) accept applications for grants to local government
18 units and related organizations proposing to promote cooperative
19 efforts in public service delivery and determine whether to
20 approve, modify, or reject the application.

21 Sec. 2. [6.80] [RULE AND LAW WAIVER REQUESTS.]

22 Subdivision 1. [GENERALLY.] (a) Except as provided in
23 paragraph (b), a local government unit may request the state
24 auditor to grant a waiver from one or more administrative rules
25 or a temporary, limited exemption from enforcement of state
26 procedural laws governing delivery of services by the local

1 government unit. Two or more local government units may submit
2 a joint application for a waiver or exemption under this section
3 if they propose to cooperate in providing a service or program
4 that is subject to the rule or law. Before submitting an
5 application to the state auditor, the governing body of the
6 local government unit must approve, in concept, the proposed
7 waiver or exemption at a meeting required to be public under
8 chapter 13D. A local government unit or two or more units
9 acting jointly may apply for a waiver or exemption on behalf of
10 a nonprofit organization providing services to clients whose
11 costs are paid by the unit or units. A waiver or exemption
12 granted to a nonprofit organization under this section applies
13 to services provided to all the organization's clients.

14 (b) A school district that is granted a variance from rules
15 of the commissioner of education under section 122A.163, need
16 not apply for a waiver of those rules under this section. A
17 school district may not seek a waiver of rules under this
18 section if the commissioner of education has authority to grant
19 a variance to the rules under section 122A.163. This paragraph
20 does not preclude a school district from being included in a
21 cooperative effort with another local government unit under this
22 section.

23 (c) Before petitioning the State Auditor's Office for an
24 exemption from an administrative rule, the petitioner must have
25 requested and been denied such an exemption from the appropriate
26 agency pursuant to sections 14.055 and 14.056.

27 Subd. 2. [APPLICATION.] A local government unit requesting
28 a waiver of a rule or exemption from enforcement of a law under
29 this section shall present a written application to the state
30 auditor. The application must include:

31 (1) the name and address of the entity for whom a waiver of
32 a rule or exemption from enforcement of a law is being
33 requested;

34 (2) identification of the service or program at issue;

35 (3) identification of the administrative rule or the law
36 imposing a procedural requirement with respect to which the

1 waiver or exemption is sought;

2 (4) a description of the improved service outcome sought,
3 including an explanation of the effect of the waiver or
4 exemption in accomplishing that outcome, and why that outcome
5 cannot be accomplished under established rules or laws;

6 (5) information on the State Auditor's Office treatment on
7 similar cases;

8 (6) the name, address, and telephone number of any person,
9 business, or other government unit the petitioner knows would be
10 adversely affected by the grant of the petition; and

11 (7) a signed statement as to the accuracy of the facts
12 presented.

13 A copy of the application must be provided by the requesting
14 local government unit to the exclusive representative certified
15 under section 179A.12 to represent employees who provide the
16 service or program affected by the requested waiver or exemption.

17 Subd. 3. [REVIEW PROCESS.] (a) Upon receipt of an
18 application from a local government unit, the state auditor
19 shall review the application. The state auditor shall dismiss
20 an application if the application proposes a waiver of rules or
21 exemption from enforcement of laws that would result in due
22 process violations, violations of federal law or the state or
23 federal constitution, or the loss of services to people who are
24 entitled to them.

25 (b) The state auditor shall determine whether a law from
26 which an exemption for enforcement is sought is a procedural
27 law, specifying how a local government unit is to achieve an
28 outcome, rather than a substantive law prescribing the outcome
29 or otherwise establishing policy. In making its determination,
30 the state auditor shall consider whether the law specifies such
31 requirements as:

32 (1) who must deliver a service;

33 (2) where the service must be delivered;

34 (3) to whom and in what form reports regarding the service
35 must be made; and

36 (4) how long or how often the service must be made

1 available to a given recipient. For purposes of this section
2 procedural law does not include a statutory notice requirement.

3 (c) If the application is submitted by a local government
4 unit in the metropolitan area or the unit requests a waiver of a
5 rule or temporary, limited exemptions from enforcement of a
6 procedural law over which the Metropolitan Council or a
7 metropolitan agency has jurisdiction, the state auditor shall
8 also transmit a copy of the application to the council for
9 review and comment. The council shall report its comments to
10 the board within 60 days of the date the application was
11 transmitted to the council. The council may point out any
12 resources or technical assistance it may be able to provide a
13 local government submitting a request under this section.

14 (d) Within 15 days after receipt of the application, the
15 state auditor shall transmit a copy of it to the commissioner of
16 each agency having jurisdiction over a rule or law from which a
17 waiver or exemption is sought. The agency may mail a notice
18 that it has received an application for a waiver or exemption to
19 all persons who have registered with the agency under section
20 14.14, subdivision 1a, identifying the rule or law from which a
21 waiver or exemption is requested. If no agency has jurisdiction
22 over the rule or law, the state auditor shall transmit a copy of
23 the application to the attorney general. The agency shall
24 inform the state auditor of its agreement with or objection to
25 and grounds for objection to the waiver or exemption request
26 within 60 days of the date when the application was transmitted
27 to it. An agency's failure to do so is considered agreement to
28 the waiver or exemption. The state auditor shall decide whether
29 to grant a waiver or exemption at the end of the 60-day response
30 period. Interested persons may submit written comments to the
31 state auditor on the waiver or exemption request up to the end
32 of the 60-day response period.

33 (e) If the exclusive representative of the affected
34 employees of the requesting local government unit objects to the
35 waiver or exemption request it may inform the state auditor of
36 the objection to and the grounds for the objection to the waiver

1 or exemption request within 60 days of the receipt of the
2 application.

3 Subd. 4. [HEARING.] If a state agency under subdivision 3,
4 paragraph (d), or the exclusive representative of the affected
5 employees under subdivision 3, paragraph (e), has objected to a
6 waiver or exemption request, the State Auditor's Office shall
7 set a date for a hearing on the applications. The hearing must
8 be conducted informally at a time and place determined by all
9 parties. Persons representing the local government unit shall
10 present their case for the waiver or exemption, and persons
11 representing the agency or the exclusive representative of the
12 affected employees shall explain their objection to it. The
13 state auditor may request additional information from the local
14 government unit or either objecting party. The state auditor
15 may also request, either before or at the hearing, information
16 or comments from representatives of business, labor, local
17 governments, state agencies, consultants, and members of the
18 public. If necessary, the hearing may be continued for a later
19 date. The state auditor may modify the terms of the waiver or
20 exemption request in arriving at the agreement required under
21 subdivision 5.

22 Subd. 5. [CONDITIONS OF AGREEMENTS.] (a) In determining
23 whether to grant a petition for a waiver of a rule or exemption
24 from enforcement of a law, the state auditor should consider the
25 following factors:

26 (1) whether there is a true and unique impediment under
27 current law to accomplishing the goal of the local government
28 unit;

29 (2) granting the waiver of a rule or exemption from
30 enforcement of law will only change procedural requirements of a
31 local government unit;

32 (3) the purpose of any rule or law that is waived is still
33 being met in another manner;

34 (4) granting the proposed waiver of a rule or exemption
35 from enforcement of a law would result in a more efficient means
36 of providing government services; and

1 (5) granting the proposed waiver will not have a
2 significant negative impact on other state government, local
3 government units, businesses, or citizens.

4 (b) If the state auditor grants a request for a waiver or
5 exemption, the state auditor and the local government unit shall
6 enter into an agreement providing for the delivery of the
7 service or program that is the subject of the application. The
8 agreement must specify desired outcomes, the reasons why the
9 desired outcomes cannot be met under current laws or rules, and
10 the means of measurement by which the state auditor will
11 determine whether the outcomes specified in the agreement have
12 been met. The agreement must specify the duration of the waiver
13 or exemption. The duration of a waiver from an administrative
14 rule may be for no less than two years and no more than four
15 years, subject to renewal if both parties agree. An exemption
16 from enforcement of a law terminates ten days after adjournment
17 of the regular legislative session held during the calendar year
18 following the year when the exemption is granted, unless the
19 legislature has acted to extend or make permanent the exemption.

20 (c) The state auditor must report any grants of waivers or
21 exemptions to the legislature, including the chairs of the
22 governmental operations and appropriate policy committees in the
23 house and senate, and the governor within 30 days.

24 (d) The state auditor may reconsider or renegotiate the
25 agreement if the rule or law affected by the waiver or exemption
26 is amended or repealed during the term of the original
27 agreement. A waiver of a rule under this section has the effect
28 of a variance granted by an agency under section 14.055. A
29 local unit of government that is granted an exemption from
30 enforcement of a procedural requirement in state law under this
31 section is exempt from that law for the duration of the
32 exemption. The state auditor may require periodic reports from
33 the local government unit, or conduct investigations of the
34 service or program.

35 Subd. 6. [ENFORCEMENT.] If the state auditor finds that
36 the local government unit is failing to comply with the terms of

1 the agreement under subdivision 5, the state auditor may rescind
2 the agreement. Upon the rescission, the local unit of
3 government becomes subject to the rules and laws covered by the
4 agreement.

5 Subd. 7. [ACCESS TO DATA.] If a local government unit,
6 through a cooperative program under this section, gains access
7 to data collected, created, received, or maintained by another
8 local government that is classified as not public, the unit
9 gaining access is governed by the same restrictions on access to
10 and use of the data as the unit that collected, created,
11 received, or maintained the data.

12 Sec. 3. [6.81] [GRANTS PROMOTING COOPERATIVE EFFORTS IN
13 PUBLIC SERVICE DELIVERY.]

14 Subdivision 1. [BOARD.] A cooperative grants board chaired
15 by the state auditor, and made up of two members of the
16 Minnesota house of representatives and two members of the
17 Minnesota senate shall review applications for cooperative
18 efforts in public service delivery made by local units of
19 government for years in which funds have been appropriated for
20 such a purpose. The state auditor, with the advice of the
21 board, shall approve the applications.

22 The speaker of the house of representatives and the house
23 of representatives minority leader shall each appoint a member
24 to the board. The senate majority leader and the senate
25 minority leader shall each appoint a member to the board.

26 Subd. 2. [GRANTS.] Two or more local government units; an
27 association of local governments; a local unit of government
28 acting in conjunction with the Metropolitan Council, an
29 organization, or a state agency; or an organization formed by
30 two or more local units of government under a joint powers
31 agreement may apply to the board for a grant to be used to
32 develop a plan for intergovernmental cooperation in providing
33 services.

34 The purpose of the grants is to promote cooperative efforts
35 in public service delivery by local units of government and
36 include, but are not limited to, covering the initial start-up

1 costs of a cooperative effort and costs associated with planning
2 and integrating a service or function provided by two or more
3 local government units. Agreements solely to make joint
4 purchases are not sufficient to qualify under this section.

5 The application to the board must state what other sources
6 of funding have been considered by the local units of government
7 to implement the project and explain why it is not possible to
8 complete the project without assistance from the board. The
9 state auditor may not award a grant if it determines that the
10 local units of government could complete the project without
11 board assistance. A copy of the application must be submitted
12 by the applicants to the exclusive representatives certified
13 under section 179A.12 to represent employees who provide the
14 service or program affected by the application.

15 The state auditor shall award grants on the basis of each
16 qualified applicant's score under the scoring system in
17 subdivision 4. The amount of a grant under this section may not
18 exceed \$50,000.

19 Subd. 3. [REPAYMENT OF GRANTS.] If the state auditor finds
20 that the grantee has failed to implement the plan according to
21 the terms of the grant agreement, it may require the grantee to
22 repay all or a portion of the grant. All grant money repaid to
23 the state under this section is appropriated to the board for
24 additional grants.

25 Subd. 4. [COOPERATIVE GRANTS SCORING SYSTEM.] In deciding
26 whether to award a grant promoting cooperative efforts in public
27 service delivery, the board shall use the following scoring
28 system:

29 (1) up to 15 points shall be awarded to reflect the extent
30 to which the application demonstrates creative thinking, careful
31 planning, cooperation, involvement of the clients of the
32 affected service, and commitment to assume risk;

33 (2) up to 20 points shall be awarded to reflect the extent
34 to which the proposed project is likely to improve the quality
35 of the service and to have benefits for other local governments;

36 (3) up to 15 points shall be awarded to reflect the extent

1 to which the application's budget provides sufficient detail,
2 maximizes the use of state funds, documents the need for
3 financial assistance, commits to local financial support, and
4 limits expenditures to essential activities;

5 (4) up to 20 points shall be awarded to reflect the extent
6 to which the application reflects the statutory goal of the
7 grant program;

8 (5) up to 15 points shall be awarded to reflect the merit
9 of the proposed project and the extent to which it warrants the
10 state's financial participation;

11 (6) up to five points shall be awarded to reflect the
12 cost/benefit ratio projected for the proposed project;

13 (7) up to five points shall be awarded to reflect the
14 number of government units participating in the proposal; and

15 (8) up to five points shall be awarded to reflect the
16 minimum length of time the application commits to implementation.

**Senate Counsel, Research,
and Fiscal Analysis**

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Senate

State of Minnesota

**S.F. No. 1083 - Relating to Waiver of Rules and Laws
Applying to Local Governmental Units (First
Engrossment)**

Author: Senator John C. Hottinger

Prepared by: Daniel P. McGowan, Senate Counsel (651/296-4397)

Thomas S. Bottern, Senate Counsel (651/296-3810) *TB*

Date: April 14, 2005

The proposed legislation authorizes the State Auditor to review, modify, reject, or approve applications from local governments for waivers or exemptions from state law or administrative rule and also provides for cooperative service delivery grants. The bill is substantially the same as the law repealed in 2002 that was originally enacted in 1993 that established the Board of Government Innovation and Cooperation.

Section 1 requires the State Auditor to review and decide on applications from local governmental units for waivers from administrative rules and temporary limited exceptions from procedural requirements in state law. Also requires the auditor to review and decide on applications from local governments for grants for cooperative efforts in public service delivery.

Section 2, subdivision 1, establishes a process for one or more local governments to request a waiver or exemption from a state law or rule governing local government service delivery. Requires the local government unit to follow the process for exemption from administrative rules and having that process denied before using the provisions of this bill.

Subdivision 2 requires a written application and a copy to be given to the exclusive bargaining representative of the employees affected by the waiver or exemption.

Subdivision 3 provides a review process and notice to affected state agencies.

Subdivision 4 provides for the State Auditor to hold a hearing if an agency denies a waiver or exemption, or if a bargaining unit for affected employees objects to a waiver or exemption.

Subdivision 5 lists factors that should be considered in deciding whether to grant a waiver or exemption request and provides for an agreement between the State Auditor and the local governmental unit for providing the delivery of the service or program if the waiver is granted.

Subdivision 6 permits the State Auditor to rescind the agreement if the local government fails to comply with the terms of the agreement.

Subdivision 7 provides that data retains its classification regardless of whether it has been accessed by other local governments under an agreement to access the information.

Section 3, subdivision 1, establishes a Cooperative Grants Board, chaired by the State Auditor, with two members of each house of the Legislature evenly divided between the two political parties, who would give advice to the State Auditor on making decisions about granting a waiver or an exemption.

Subdivision 2 provides for various combinations of government units to apply for grants to develop plans for intergovernmental cooperation in providing services and that joint purchasing is not a sufficient reason for obtaining a grant under this program. Requires that the grants be made on the basis of a scoring system identified in subdivision 4.

Subdivision 3 permits the State Auditor to require repayment of grants made if there is a failure of the plan, and that the money repaid is appropriated to the State Auditor to make other grants.

Subdivision 4 spells out the relative weight for the various factors considered in deciding to award grants. Even though the process for applying and obtaining a grant is spelled out, the bill does not actually fund any grants.

DPM/TSB:rer

Preliminary

Consolidated Fiscal Note – 2005-06 Session

Bill #: S1083-1E Complete Date:

Chief Author: HOTTINGER, JOHN

Title: LOCAL GOVERNMENT WAIVERS AND GRANTS

Fiscal Impact	Yes	No
State	X	
Local	X	
Fee/Departmental Earnings		X
Tax Revenue		X

Agencies: State Auditor
 Corrections Dept
 Natural Resources Dept
 Pollution Control Agency (04/11/05)
 Metropolitan Council

Transportation Dept (04/12/05)
 Health Dept (04/13/05)
 Human Services Dept
 Water & Soil Resources Board (04/13/05)
 Education Department

This table reflects fiscal impact to state government. Local government impact is reflected in the narrative only.

Dollars (in thousands)	FY05	FY06	FY07	FY08	FY09
Net Expenditures					
General Fund	0	0	0	0	0
State Auditor	0	0	0	0	0
Revenues					
General Fund	0	0	0	0	0
State Auditor	0	0	0	0	0
Net Cost <Savings>					
General Fund	0	0	0	0	0
State Auditor	0	0	0	0	0
Total Cost <Savings> to the State					

	FY05	FY06	FY07	FY08	FY09
Full Time Equivalents					
General Fund	0.00	0.00	0.00	0.00	0.00
State Auditor	0.00	0.00	0.00	0.00	0.00
Total FTE					

Preliminary

Fiscal Note – 2005-06 Session

Bill #: S1083-1E **Complete Date:**

Chief Author: HOTTINGER, JOHN

Title: LOCAL GOVERNMENT WAIVERS AND GRANTS

Fiscal Impact	Yes	No
State		X
Local		X
Fee/Departmental Earnings		X
Tax Revenue		X

Agency Name: State Auditor

This table reflects fiscal impact to state government. Local government impact is reflected in the narrative only.

Dollars (in thousands)	FY05	FY06	FY07	FY08	FY09
Expenditures					
General Fund	0	0	0	0	0
Less Agency Can Absorb					
-- No Impact --					
Net Expenditures					
General Fund	0	0	0	0	0
Revenues					
General Fund	0	0	0	0	0
Net Cost <Savings>					
General Fund	0	0	0	0	0
Total Cost <Savings> to the State					

	FY05	FY06	FY07	FY08	FY09
Full Time Equivalents					
General Fund	0.00	0.00	0.00	0.00	0.00
Total FTE					

Preliminary

Bill Description

Senate File 1083 provides for local government units to request the state auditor to grant a waiver from administrative rules or a temporary, limited exemption from enforcement of state procedural laws governing delivery of services by local government units. SF 1083 prescribes a process for submission, review, and approval of waivers and exemptions.

SF 1083 also provides for the formation of a cooperative grants board chaired by the state auditor. The board will review applications by local government units for grants to fund cooperative efforts in public service delivery. If funds are appropriated, the board will approve the applications.

Assumptions

SF 1083 creates a process for reviewing and awarding grant funds if they become available in the future but does not appropriate any funds for grants. The state auditor also assumes that current staff will be able to review all waivers, review all exemptions, and fulfill the responsibilities of the cooperative grants board with little or no impact to their current workload.

Expenditure and/or Revenue Formula

Current staff will be able to review all waivers, review all exemptions, and fulfill the responsibilities of the cooperative grants board with little or no impact to their current workload. As a result, there will not be added costs.

Long-Term Fiscal Considerations

Local Government Costs

SF 1083 will allow local government units to find ways to deliver services to citizens in a more cost effective manner and reduce costs for the local government units.

References/Sources

FN Coord Signature: MATTHEW LINDEMANN
Date: 04/13/05 Phone: 297-7110

Preliminary

Fiscal Note – 2005-06 Session

Bill #: S1083-1E Complete Date:

Chief Author: HOTTINGER, JOHN

Title: LOCAL GOVERNMENT WAIVERS AND GRANTS

Fiscal Impact	Yes	No
State		
Local		
Fee/Departmental Earnings		
Tax Revenue		

Agency Name: Education Department

This table reflects fiscal impact to state government. Local government impact is reflected in the narrative only.

Dollars (in thousands)	FY05	FY06	FY07	FY08	FY09
Expenditures					
-- No Impact --					
Less Agency Can Absorb					
-- No Impact --					
Net Expenditures					
-- No Impact --					
Revenues					
-- No Impact --					
Net Cost <Savings>					
-- No Impact --					
Total Cost <Savings> to the State					

	FY05	FY06	FY07	FY08	FY09
Full Time Equivalents					
-- No Impact --					
Total FTE					

Preliminary

Fiscal Note – 2005-06 Session

Bill #: S1083-1E Complete Date:

Chief Author: HOTTINGER, JOHN

Title: LOCAL GOVERNMENT WAIVERS AND GRANTS

Fiscal Impact	Yes	No
State		
Local		
Fee/Departmental Earnings		
Tax Revenue		

Agency Name: Human Services Dept

This table reflects fiscal impact to state government. Local government impact is reflected in the narrative only.

Dollars (in thousands)	FY05	FY06	FY07	FY08	FY09
Expenditures					
-- No Impact --					
Less Agency Can Absorb					
-- No Impact --					
Net Expenditures					
-- No Impact --					
Revenues					
-- No Impact --					
Net Cost <Savings>					
-- No Impact --					
Total Cost <Savings> to the State					

	FY05	FY06	FY07	FY08	FY09
Full Time Equivalents					
-- No Impact --					
Total FTE					

Preliminary

Fiscal Note – 2005-06 Session

Bill #: S1083-1E **Complete Date:** 04/13/05

Chief Author: HOTTINGER, JOHN

Title: LOCAL GOVERNMENT WAIVERS AND GRANTS

Fiscal Impact	Yes	No
State		X
Local		X
Fee/Departmental Earnings		X
Tax Revenue		X

Agency Name: Health Dept

This table reflects fiscal impact to state government. Local government impact is reflected in the narrative only.

Dollars (in thousands)	FY05	FY06	FY07	FY08	FY09
Expenditures					
-- No Impact --					
Less Agency Can Absorb					
-- No Impact --					
Net Expenditures					
-- No Impact --					
Revenues					
-- No Impact --					
Net Cost <Savings>					
-- No Impact --					
Total Cost <Savings> to the State					

	FY05	FY06	FY07	FY08	FY09
Full Time Equivalents					
-- No Impact --					
Total FTE					

Preliminary

Bill Description

SF 1083- Provides local government units an option to opt out of rules and laws that apply to them as well as creating a grants board to fund cooperative efforts in public service delivery. Directs the State Auditor's Office to provide oversight.

Section 1 – Provides the State Auditor (Auditor) authority to accept waiver applications from local government units and temporarily suspends enforcement of procedural requirements in state law while the Auditor makes a determination. In addition, this section provides the Auditor authority to accept grant applications to local government units proposing cooperative efforts in public service delivery.

Section 2 -- Prescribes the procedures local units of government must follow when requesting a waiver from rules and laws. Also prescribes State Auditor duties related to waiver applications from administrative rules and laws.

Section 3 -- Develops a grants board to be chaired by the Auditor. Describes the process for local government to apply for a grant, grant repayment and a scoring system for awarding grants.

Assumptions

This bill has no fiscal impact on MDH.

Expenditure and/or Revenue Formula

Long-Term Fiscal Considerations

Local Government Costs

References/Sources

Agency Contact Name: Wayne Carlson (651-296-9725)
FN Coord Signature: DAVE HOVET
Date: 04/13/05 Phone: 215-0389

EBO Comments

I have reviewed this Fiscal Note for accuracy and content.

EBO Signature: CRAIG WIEBER
Date: 04/13/05 Phone: 282-5065

Preliminary

Fiscal Note – 2005-06 Session

Bill #: S1083-1E **Complete Date:** 04/12/05

Chief Author: HOTTINGER, JOHN

Title: LOCAL GOVERNMENT WAIVERS AND GRANTS

Fiscal Impact	Yes	No
State		X
Local		X
Fee/Departmental Earnings		X
Tax Revenue		X

Agency Name: Transportation Dept

This table reflects fiscal impact to state government. Local government impact is reflected in the narrative only.

Dollars (in thousands)	FY05	FY06	FY07	FY08	FY09
Expenditures					
-- No Impact --					
Less Agency Can Absorb					
-- No Impact --					
Net Expenditures					
-- No Impact --					
Revenues					
-- No Impact --					
Net Cost <Savings>					
-- No Impact --					
Total Cost <Savings> to the State					

	FY05	FY06	FY07	FY08	FY09
Full Time Equivalent					
-- No Impact --					
Total FTE					

Preliminary

Bill Description

Senate File 1083, 1st Engrossment, will allow local units of government the option of requesting from the state auditor a waiver from administrative rules or temporary, limited exemption from enforcement of laws governing delivery of services by the local government unit.

Section 1 provides the state auditor the authority to accept waiver applications from local government units and to approve, modify or reject the application.

Section 2 defines the general requirements and application process of applying to the auditor for a waiver, and the auditor's duties in the review process.

Section 3 creates a cooperative grants board chaired by the auditor, for the purpose of accepting and reviewing applications for grants from local government units that promote cooperative efforts in delivering public services.

Assumptions

Mn/DOT assumes that none of Minnesota's units of local governments with which it interacts will propose opting out of any laws or rules that Mn/DOT administers. There are three primary parts of Mn/DOT that have regular interaction with units of local government. These include:

- State Aid For Local Transportation Division, which administers various provisions of M.S. Chapter 162 and Rules promulgated under authority of this chapter. In general various units of local government receive revenues from the County State Aid Highway Fund and Municipal State Aid Street Fund, and the statutes and Rules describe the various steps and conditions necessary to receive these revenues. In addition, the Division administers grants for local bridge projects and Local Road Improvement Fund projects, when funds are appropriated for this purpose by the Legislature. Mn/DOT's procedures are intended to aid local governments receive funding for needed projects.
- Mn/DOT's Office of Aeronautics administers airport construction grant programs, with funding provided by both the State Airports Fund and by federal airport improvement funding. The Office's procedures are also intended to aid local governments receive funding for needed projects.
- Mn/DOT's Office of Transit administers programs to aid local governments outside the seven county metropolitan area fund transit programs. M.S. Chapter 174 prescribes specific local government shares for funding these transit programs. Mn/DOT provides technical assistance to local governments, as they take preliminary steps toward beginning transit service, and then executes annual agreements for financial assistance to be provided in conjunction with statutory requirements.

In each of these programs the primary focus of the laws, rules, and procedures involve actions Mn/DOT requests local government to take in order to receive funding for local street, highway, bridge, airport, or transit services that the local governments desire and need. Mn/DOT does not believe that its local government customers will initiate requests to opt out of these various requirements because their primary purposes are to aid local governments to receive needed funding.

Expenditure and/or Revenue Formula

No impact.

Long-Term Fiscal Considerations

No impact.

Local Government Costs

Mn/DOT does not expect local government to have any costs as a result of the requirements placed on them related to programs administering by the department.

References/Sources

FN Coord Signature: BRUCE BRIESE

Preliminary

Date: 04/12/05 Phone: 297-1203

EBO Comments

I have reviewed this Fiscal Note for accuracy and content.

EBO Signature: NORMAN FOSTER

Date: 04/12/05 Phone: 215-0594

Preliminary

Fiscal Note – 2005-06 Session

Bill #: S1083-1E **Complete Date:**

Chief Author: HOTTINGER, JOHN

Title: LOCAL GOVERNMENT WAIVERS AND GRANTS

Fiscal Impact	Yes	No
State		X
Local		X
Fee/Departmental Earnings		X
Tax Revenue		X

Agency Name: Corrections Dept

This table reflects fiscal impact to state government. Local government impact is reflected in the narrative only.

Dollars (in thousands)	FY05	FY06	FY07	FY08	FY09
Expenditures					
-- No Impact --					
Less Agency Can Absorb					
-- No Impact --					
Net Expenditures					
-- No Impact --					
Revenues					
-- No Impact --					
Net Cost <Savings>					
-- No Impact --					
Total Cost <Savings> to the State					

	FY05	FY06	FY07	FY08	FY09
Full Time Equivalents					
-- No Impact --					
Total FTE					

Preliminary

SF 1083-1E Local Government Waivers and Grants

Bill Description

This bill provides a process for local units of government to apply for waivers of administrative rules.

Assumptions

This bill does not appear to impact the Minnesota Department of Corrections.

Expenditure and/or Revenue Formula

N/A

Long-Term Fiscal Considerations

N/A

Local Government Costs

N/A

References/Sources

Minnesota Department of Corrections staff.

FN Coord Signature: DENNY FONSECA
Date: 04/12/05 Phone: 642-0220

Preliminary

Fiscal Note – 2005-06 Session

Bill #: S1083-1E **Complete Date:**

Chief Author: HOTTINGER, JOHN

Title: LOCAL GOVERNMENT WAIVERS AND GRANTS

Fiscal Impact	Yes	No
State	X	
Local		X
Fee/Departmental Earnings		X
Tax Revenue		X

Agency Name: Metropolitan Council

This table reflects fiscal impact to state government. Local government impact is reflected in the narrative only.

Dollars (in thousands)	FY05	FY06	FY07	FY08	FY09
Expenditures					
-- No Impact --					
Less Agency Can Absorb					
-- No Impact --					
Net Expenditures					
-- No Impact --					
Revenues					
-- No Impact --					
Net Cost <Savings>					
-- No Impact --					
Total Cost <Savings> to the State					

	FY05	FY06	FY07	FY08	FY09
Full Time Equivalents					
-- No Impact --					
Total FTE					

Preliminary

Bill Description: This bill (SF 1083-1E) would require the Metro Council to review applications for waivers of administrative rules and temporary, limited exemptions from enforcement of procedural requirements in state law by local units of government within the region. It would also require the council to review such applications for waivers of administrative rules and temporary, limited exemptions from enforcement of procedural law over which the council has jurisdiction.

Assumptions: The costs associated with this bill would come from funding sources other than from state appropriations, likely from the Council's regional administration and planning funds collected from a regional property tax levy.

Expenditure and/or Revenue Formula: The fiscal impact of reviewing requests for waivers related to the council's jurisdiction is not significant and could be absorbed within current budget amounts.

Review of waivers for enforcement of state law and other administrative rules not under the jurisdiction of the Metropolitan Council would have a substantial fiscal impact. Without more information on the types of potential waivers, however, it is impossible to estimate the cost of such reviews.

Long-Term Fiscal Considerations: The cost of reviewing requests for waivers would be on-going and would impact agency expenditures and staffing needs into future biennium.

Local Government Costs: Cost to local governments would be the tied to staff time needed for preparing a request for waiver. It is not known at this time how much administrative work would be needed for submit of such requests by local governments.

Agency Contact Name: Blair Tremere, Comm Develop. Dir. 651-602-1306
FN Coord Signature: MIKE KUEHN
Date: 04/13/05 Phone: 602-1364

Preliminary

Fiscal Note – 2005-06 Session

Bill #: S1083-1E **Complete Date:** 04/11/05

Chief Author: HOTTINGER, JOHN

Title: LOCAL GOVERNMENT WAIVERS AND GRANTS

Fiscal Impact	Yes	No
State		X
Local		X
Fee/Departmental Earnings		X
Tax Revenue		X

Agency Name: Pollution Control Agency

This table reflects fiscal impact to state government. Local government impact is reflected in the narrative only.

Dollars (in thousands)	FY05	FY06	FY07	FY08	FY09
Expenditures					
-- No Impact --					
Less Agency Can Absorb					
-- No Impact --					
Net Expenditures					
-- No Impact --					
Revenues					
-- No Impact --					
Net Cost <Savings>					
-- No Impact --					
Total Cost <Savings> to the State					

	FY05	FY06	FY07	FY08	FY09
Full Time Equivalents					
-- No Impact --					
Total FTE					

Preliminary

Bill Description

SF 1083- Provides local government units an option to opt out of rules and laws that apply to them as well as creating a grants board to fund cooperative efforts in public service delivery. Directs the State Auditor's Office to provide oversight.

Section 1 – Provides the State Auditor (Auditor) authority to accept waiver applications from local government units and temporarily suspends enforcement of procedural requirements in state law while the Auditor makes a determination. In addition, this section provides the Auditor authority to accept grant applications to local government units proposing cooperative efforts in public service delivery.

Section 2 - Prescribes the procedures local units of government must follow when requesting a waiver from rules and laws. Also prescribes State Auditor duties related to waiver applications from administrative rules and laws.

Section 3 - Develops a grants board to be chaired by the Auditor. Describes the process for local government to apply for a grant, grant repayment and a scoring system for awarding grants.

Assumptions

The MPCA anticipates no additional costs to the agency because the responsibilities for waiver review, approval and program oversight fall under the State Auditor's office.

The grants program promoting cooperative efforts in public service delivery is a program to be managed by the State Auditor and not the MPCA.

Expenditure and/or Revenue Formula

The MPCA anticipates a minimal amount of time by be required by the agency to answer questions related to a rule waiver by a local unit of government. Without having traveled through this process it is impossible to say for certain that there is no impact.

Long-Term Fiscal Considerations

The MPCA estimates the long-term fiscal impact is minimal.

Local Government Costs

Minimal at best.

References/Sources

MPCA rulemaking staff supplied information and review of the bill.

Agency Contact Name: NORMA COLEMAN (651-296-7712)

FN Coord Signature: GLENN OLSON

Date: 04/11/05 Phone: 297-1609

EBO Comments

I have reviewed this Fiscal Note for accuracy and content.

EBO Signature: LEONIE HUANG

Date: 04/11/05 Phone: 296-5779

Preliminary

Fiscal Note – 2005-06 Session

Bill #: S1083-1E **Complete Date:**

Chief Author: HOTTINGER, JOHN

Title: LOCAL GOVERNMENT WAIVERS AND GRANTS

Fiscal Impact	Yes	No
State	X	
Local	X	
Fee/Departmental Earnings		X
Tax Revenue		X

Agency Name: Natural Resources Dept

This table reflects fiscal impact to state government. Local government impact is reflected in the narrative only.

Dollars (in thousands)	FY05	FY06	FY07	FY08	FY09
Expenditures					
-- No Impact --					
Less Agency Can Absorb					
-- No Impact --					
Net Expenditures					
-- No Impact --					
Revenues					
-- No Impact --					
Net Cost <Savings>					
-- No Impact --					
Total Cost <Savings> to the State					

	FY05	FY06	FY07	FY08	FY09
Full Time Equivalent					
-- No Impact --					
Total FTE					

Preliminary

Bill Description

This bill proposes procedures and criteria for local government units to opt out of state mandated programs that increase costs or decrease revenues.

This bill could affect the adoption and enforcement of zoning programs designed to protect people and water and related land resources. The DNR administered land use programs have existed since 1969. The primary interest of DNR Waters is the effect of this bill on local zoning programs implemented by municipalities, counties and some towns. The programs of particular concern include:

Floodplain management ordinances pursuant to M.S.103F.121,
Shoreland management ordinances pursuant to M.S.103F.215-221,
Wild and scenic river ordinances pursuant to M.S.103F.335,
Lower St. Croix wild and scenic river ordinances pursuant to M.S.103F.351, Subd. 4(c), and Mississippi
River critical area ordinances pursuant to M.S. 116G.07.

Assumptions

The effects of local governments opting out of these programs are different for each program.

Section 2, Subdivision 5 appears to make it more difficult to opt out of the programs we are responsible for. In fact, it doesn't appear that opt outs would be possible under Subd. 5(3) and if there are no opt outs there would be no fiscal impact. However, if the state auditor approves opt outs, the DNR could incur significant costs.

Floodplain management (522 ordinances in effect): If a local government unit opts out of its floodplain management ordinance, the Commissioner is required to adopt an ordinance for the local government unit and the costs associated with adopting the ordinance are billed to the local government unit. Enforcement of the ordinance adopted by the commissioner still needs to be done by the local government unit. The Commissioner may take the local government unit to court to encourage enforcement of the ordinance. A local government unit that needs a floodplain ordinance but does not adopt an ordinance or enforce their ordinance is subject to immediate suspension from the National Flood Insurance Program. This means that residents in the community cannot get flood insurance, disaster assistance may not be available and federal grants and loans may not be available within the community.

Shoreland management (255 ordinances in effect): If a local government unit opts out of adopting a shoreland management ordinance, the Commissioner may adopt an ordinance for both municipalities and counties that meet the minimum requirements and may pass along the costs of adoption to the local government unit. The city or county is still responsible for administering and enforcing the ordinance. The Commissioner would need to take the municipality or county to court to encourage enforcement of the ordinance.

Wild and scenic river (49 ordinances in effect): The Commissioner is currently responsible for developing a management plan to determine whether to designate a river or a river reach and to adopt the management plan. Once this process is completed local government units have six months to adopt zoning ordinances to comply with the management plan. If the local government units do not adopt ordinances, the Commissioner shall adopt the ordinances for them. There is no provision for cost recovery specified and no means for the Commissioner to encourage administration and enforcement is identified.

Lower St. Croix (12 ordinances in effect): The Lower St. Croix Wild and Scenic River is different in that the comprehensive master plan is developed and adopted by two states and the U.S. Department of Interior. Local governments are required to adopt zoning ordinances complying with the guidelines and standards of the plan within a time specified by the Commissioner. No provisions for not adopting, administering or enforcing the ordinances are specified.

Mississippi River Corridor Critical Area (27 ordinances in effect): The legal authority for the management of the Mississippi River Corridor Critical Area was transferred to the DNR from the Environmental Quality Board (EQB). Local government units are required to prepare plans and regulations acceptable to the DNR within one year of the order designating the critical area. The DNR is authorized to adopt plans and regulations if local governments fail to do so. The DNR is authorized to institute judicial proceedings if the administration of local plans and regulations are inadequate. There is no discussion of how to deal with the costs associated with these actions.

Preliminary

Expenditure and/or Revenue Formula

Opting out of long standing environmental protection programs could come with significant cost. There are a number of scenarios that need to be looked at in order to analyze this bill.

1. This bill only applies to new legislative mandates.
2. Communities that have already adopted ordinances will keep them and continue to enforce them.
3. All communities that have adopted ordinances will retain the ordinances but will not administer or enforce them.
4. Even communities that have adopted ordinances previously will rescind their ordinances and will not administer or enforce them.
5. The Legislature could decide to fully fund all of these local zoning mandates.

Options 1 and 2 have little impact on ongoing state and local costs.

Under Option 3, DNR will have to go to court to get local communities to administer and enforce their ordinances.

If you assume a cost of \$20,000 per ordinance to be taken to court this would amount to \$17.3 million.

Under option 4, if you assume \$20,000 per ordinance for 853 ordinances including development of appropriate language and public hearings for all but the Lower St. Croix and \$20,000 per ordinance for going to court to get to get all ordinances administered and enforced, the total cost will be \$34.36 million, but \$15.5 million could be recovered by collecting the cost of ordinance adoption from local government units.

Under Option 5, the annual cost might be \$8.5 million/year if you assume \$10,000 per ordinance per year.

Long-Term Fiscal Considerations

If options 3 or 4 occur the state costs of \$17 to \$34 million would have to be spread over a number of years. It would take time for local governments to opt-out of these programs and it would take time to hire additional staff and schedule hearings and court times for all of these actions. About \$15.5 million may be recoverable from local government units.

Using the assumed cost identified above, it would require \$8.5 million/year long term to fully fund these existing, long-standing mandates.

Local Government Costs

Local government costs if they choose to fight the adoption and administration and enforcement processes would also be very high. The consequences of losing flood insurance coverage and disaster assistance during a major flood event could be catastrophic.

Preliminary

Fiscal Note – 2005-06 Session

Bill #: S1083-1E **Complete Date:** 04/13/05

Chief Author: HOTTINGER, JOHN

Title: LOCAL GOVERNMENT WAIVERS AND GRANTS

Fiscal Impact	Yes	No
State	X	
Local	X	
Fee/Departmental Earnings		X
Tax Revenue		X

Agency Name: Water & Soil Resources Board

This table reflects fiscal impact to state government. Local government impact is reflected in the narrative only.

Dollars (in thousands)	FY05	FY06	FY07	FY08	FY09
Expenditures					
-- No Impact --					
Less Agency Can Absorb					
-- No Impact --					
Net Expenditures					
-- No Impact --					
Revenues					
-- No Impact --					
Net Cost <Savings>					
-- No Impact --					
Total Cost <Savings> to the State					

	FY05	FY06	FY07	FY08	FY09
Full Time Equivalent					
-- No Impact --					
Total FTE					

Preliminary

Bill Description

Section one of the bill mandates that the State Auditor accept applications from local governments for waivers of administrative rules and temporary, limited exemptions from enforcement of procedural requirements in state law, and accept applications for grants to local government units and related organizations to promote cooperative efforts in public service delivery.

Section 2 of the bill provides the general requirements for the rule and law waiver requests. Application to the State Auditor for the exemption from an agency administrative rule can only occur after the local government/s have requested and been denied a waiver under M.S. 14.005 and 14.056.

Section 3 of the bill creates a cooperative grants board chaired by the State Auditor for the purpose of accepting applications for grants to promote cooperative efforts in public service delivery.

Assumptions

The administrative rules that the Board of Water and Soil Resources has relate directly to the delivery of grant programs and the regulation of wetlands which is required by state law. It is our analysis that the provisions of the bill relating to the waiver of rules and exemption from enforcement would not apply.

Expenditure and/or Revenue Formula

N/A

Long-Term Fiscal Considerations

N/A

Local Government Costs

N/A

References/Sources

FN Coord Signature: WILLIAM EISELE
Date: 04/13/05 Phone: 282-2929

EBO Comments

I have reviewed this Fiscal Note for accuracy and content.

EBO Signature: MARSHA BATTLES-JENKS
Date: 04/13/05 Phone: 296-8510

Senators Vickerman, Solon, Kubly, Hottinger and Frederickson introduced—

S. F. No. 482 Referred to the Committee on State & Local Government Operations

1 A bill for an act

2 relating to governmental operations; providing for
3 local planning assistance by certain regional
4 organizations; appropriating money; amending Minnesota
5 Statutes 2004, section 462.39, by adding a subdivision.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

7 Section 1. Minnesota Statutes 2004, section 462.39, is
8 amended by adding a subdivision to read:

9 Subd. 5. [LOCAL PLANNING ASSISTANCE.] (a) Regional
10 development commissions or, in regions not served by regional
11 development commissions, regional organizations selected by the
12 commissioner of the Department of Administration, may develop
13 programs to support planning work on behalf of local units of
14 government.

15 (b) The local planning work must include work described in
16 at least one of the clauses of this paragraph:

- 17 (1) development of local zoning ordinances;
- 18 (2) land use plans;
- 19 (3) community or economic development plans;
- 20 (4) transportation and transit plans;
- 21 (5) solid waste management plans;
- 22 (6) wastewater management plans;
- 23 (7) workforce development plans;
- 24 (8) housing development plans and market analyses;
- 25 (9) rural health service and senior nutrition plans;

- 1 (10) natural resources management plans;
2 (11) development of a geographical information systems
3 database to serve a region's needs, including hardware and
4 software purchases and related labor costs; or
5 (12) plans and ordinances for siting of livestock
6 operations.

7 Sec. 2. [APPROPRIATION.]

8 (a) \$600,000 in fiscal year 2006 and \$600,000 in fiscal
9 year 2007 are appropriated from the general fund to the
10 commissioner of administration.

11 (b) The appropriation in paragraph (a) is for grants of
12 \$50,000 each year to regional development commissions or, in
13 regions not served by regional development commissions, to
14 regional organizations selected by the commissioner of the
15 Department of Administration, to support planning work on behalf
16 of local units of government under section 1.

17 (c) State grants under paragraph (b) are not available
18 until matched on a dollar-for-dollar basis from nonstate funds.

#1

● M R D O

Minnesota Regional Development Organizations

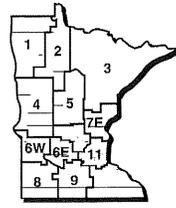
Working Together

**Strengthening
Links**

**Between
Local
Governments**

Working together for results

Minnesota Regional Development Organizations (MRDO) is the only statewide association that works across jurisdictions to strengthen the links between local governments. MRDO is comprised of all Minnesota Regional Development Commissions (RDCs) and the West Central Initiative. Its purpose is to promote the effective delivery of services and programs to all parts of Minnesota through existing regional planning and development organizations.



Regions

MRDO's Mission

The principle purpose of the Minnesota Regional Development Organizations is to facilitate intergovernmental cooperation and to insure the orderly and harmonious coordination of state, federal and local comprehensive planning and development programs for the solution of economic, social, physical, and governmental problems of the state and its citizens.

Regional Development Commissions

More than 30 years ago, state legislators recognized that the challenges of growth and development transcend local government boundaries. They found that solutions to local problems could be realized by pooling resources through intergovernmental cooperation. To help local units of government work together, the Legislature enacted the Regional Development Act.

As a result, Regional Development Commissions were formed and now provide strong, regional leadership. Each region is governed primarily by a board of local elected officials. There is also board participation by area interests such as agriculture, business, environment and transportation. RDC leaders are committed to making their regions the best possible place to live and work.

RDCs are well equipped to help Greater Minnesota because they provide a critical mass of expertise at the local level.

"As the chair of the State and Local Government Operations Committee and former County Commissioner, I have worked with Regional Development Commissions for years," said

Senator Jim Vickerman of Senate District 22. "RDCs work for local units of government by providing a host of valuable services including development services, legislative advocacy and planning resources."

"Many of our rural communities – particularly smaller counties, cities and our townships – have limited resources and staff expertise to plan for any type of development," Vickerman continued. "The RDCs make it possible for many small rural communities to plan their development in ways they would not be able to afford on their own."

"My experience has been that one of the best tools for economic development is the excellent work done by RDCs. I have had the pleasure of working closely with RDCs since their inception, and I am very proud of the contributions those organizations have made to Minnesota."

U.S. Congressman James L. Oberstar
8th Congressional District

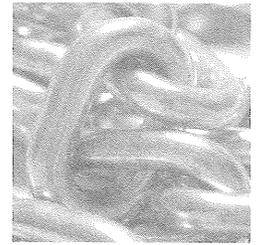
"We understand the importance of development efforts in Greater Minnesota and look forward to working closely with the regional development organizations to stimulate job growth and improve the transportation system."

Lt. Governor-elect Carol Molnar

Partnerships that strengthen organizations

MRDO is dedicated to addressing local needs and priorities in a timely and efficient manner. All Minnesotans benefit from MRDO's commitment to providing the highest quality service to local units of government, businesses and other organizations.

Focusing on regional needs



West Central Initiative

In 1985, a regional committee met to determine regional needs and to develop the first application for a grant from The McKnight Foundation. As a result of this grassroots process, a two-year grant in the amount of \$2.1 million was awarded by The McKnight Foundation to establish the West Central Minnesota Initiative Fund.

Economic development for the region received major emphasis in the first two-year phase of the organization and has continued to be a high priority.

“The West Central Initiative and Regional Development Commissions are an extension of the Economic Development Administration,” said **Jack Arnold** of the Economic Development Administration, U.S. Department of Commerce. “They are the first line of contact for us. Without their help, we could not do our jobs.”

The McKnight Foundation has continued its strong financial support to WCI. Over the past 16 years, WCI has received over \$27.5 million in program, operational and endowment support from McKnight for the region.

WCI currently has three program initiatives: business, community and planning initiatives designed to carry out WCI’s mission, goals and objectives. WCI reviews these program areas on an on-going basis via input from the public, staff, board and all WCI’s partners.



For more information about MRDO, contact any of the Regional Development Commissions listed in this brochure or visit our web site at www.mrdo.org.

“I was proud to be the chief author of the Regional Planning Bill. I will continue to work hard to help rural Minnesota plan for economic growth. Regional planning is essential for that economic growth.”

Representative Tony Kielkucki
District 18A

“As a legislator from a rural and semi-urban area of Minnesota, I recognize the importance of regional development commissions to the future of these areas. These commissions provide the economic development partnerships that will help to diversify and provide employment opportunities across the state.”

Senator John C. Hottinger
Senate District 23

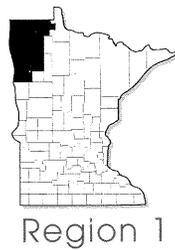
Effective and efficient

Through working together, Minnesota Regional Development Organizations’ members, the Regional Development Commissions and West Central Initiative, effectively and efficiently deliver services and programs to all parts of Minnesota.

Northwest

Programs / Services

- Agricultural Development
- Arts
- Area Agency on Aging
- Business Assistance
- Census Data Center
- Community Development
- Conferences / Workshops
- Economic Development
- Fiscal Agent
- Flood Recovery
- Geographic Information System Services
- Housing
- Land Use/Zoning Ordinances
- Local Issues
- Natural Resources
- Outdoor Recreation
- Revolving Loan Funds
- Technical Assistance
- Tourism Promotion
- Transportation



Mission

Supplement efforts by local units of government to maintain our economic strength and improve the quality of life in Northwest Minnesota, including Kittson, Marshall, Norman, Polk, Pennington, Red Lake and Roseau counties.

Contact

Leon Heath, Executive Director
(218) 745-6733
FAX: (218) 745-6438
115 S. Main St., #1
Warren, MN 56762

E-mail: nwrdc@nwrdc.org
Web: www.nwrdc.org

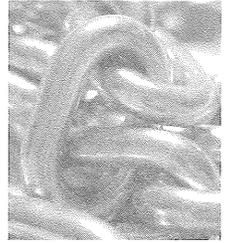
“As we prepare for the aging of our baby boomers, there is a need to develop and promote more informal community-based services. RDCs are well prepared to work with us on these efforts. Their expertise and our excellent working relationships are critical to the success of programs for the aging population and their families.”

Jim Varpness,
Executive Director
Minnesota Board on Aging



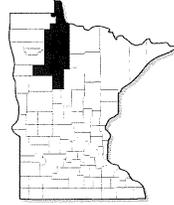
Cory Jones, a Health Insurance Coordinator with the Northwest Area Agency on Aging, helps Elmer Mathiason with his health insurance bills.

Headwaters



Programs / Services

- Business Assistance
- Census Data Center
- Community Development
- Conferences / Workshops
- Economic Development
- Geographic Information System Services
- Headwaters Housing Development Corporation
- Headwaters Regional Finance Corporation
- Housing
- Land Use
- Natural Resources
- Organizational Development and Strategic Planning
- Outdoor Recreation
- Solid Waste
- Transportation
- Workforce Development



Region 2

Mission

Improving the quality of life for the citizens of the Headwaters Region through the provision of high quality planning and development services.

Contact

Cliff Tweedale, Executive Director
(218) 444-4732

FAX: (218) 444-4722

403 Fourth St. NW, Suite 310

P.O. Box 906

Bemidji, MN 56619-0906

E-mail: hrdc@hrdc.org

Web Site: www.hrdc.org



The purpose of the Headwaters Regional Finance Corporation, a subsidiary of the HRDC, is to create high skill, good paying jobs in the region.

Arrowhead

Programs / Services

- Access Management Planning
- America's Byways Resource Center
- Area Agency on Aging
- Business Development
- Census Data Center
- Economic Development Assistance
- ElderCare Development Partnership
- ElderSolutions Program for Employees
- ESRI GIS Training
- Evaluation Expertise
- Facilitation Services
- Fiscal Agent
- Geographic Information Systems Services
- Grant Writing
- Housing Studies and Assistance
- Land Use Planning
- Local Planning Assistance
- Long-range Infrastructure Planning
- Metropolitan Planning Organization
- Natural Resources Planning
- Needs Assessments
- Recreational Transportation Planning
- Regional GIS Data Clearinghouse
- Regulatory Ordinance Development
- Retirement Planning
- Revolving Loan Funds
- Small Cities Development Program
- Solid Waste Planning
- Technical Assistance
- Transportation Planning



Region 3

Mission

ARDC's mission is to serve the people of the Arrowhead Region by providing local units of government and citizens' groups a means to work cooperatively in identifying needs, solving problems, and fostering local leadership.

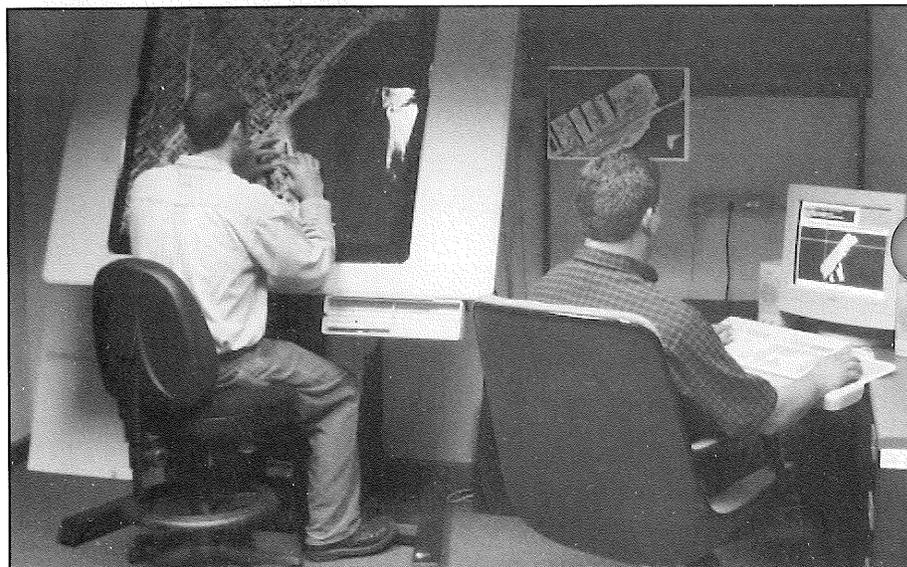
Contact

John Chell, Executive Director
(218) 722-5545
(800) 232-0707
FAX: (218) 529-7592
221 West First St.
Duluth, MN 55802

E-mail: info@ardc.org
Web: www.ardc.org

"Through the coordinated statewide efforts of MRDO, the legislature receives grassroots feedback on many issues, including human service focus points that are important to local units of government, communities and citizens. MRDO provides that critical link for many of us."

Representative Tom Huntley
District 7A



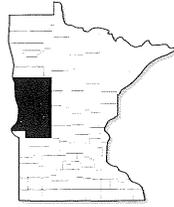
(l-r) Kelly Armstrong and David Yapel, GIS Technicians, Arrowhead Regional Development Commission, are digitizing and editing parcel data for downtown Duluth.

West Central Initiative



Programs / Services

- Business Assistance
- Business Revolving Loan Funds
- Community Development
- Conferences / Workshops
- Economic Development
- Fiscal Agent
- Grant Writing and Administration
- Regional Labor Force Committee
- Technical Assistance
- Transportation



Region 4

Contact

Nancy Straw, President
(218) 739-2239
(800) 735-2239
FAX: (218) 739-5381
1000 Western Ave.
Fergus Falls, MN 56537

E-mail: info@wcif.org
Web Site: www.wcif.org

Mission

The mission of West Central Initiative is to bring people and resources together to maintain and enhance the viability of west central Minnesota.

We serve in a leadership role as an advocate for west central Minnesota to improve and maintain the quality of life in the counties of Becker, Clay, Douglas, Grant, Otter Tail, Pope, Stevens, Traverse and Wilkin.



WCI loan recipient, Portaco, Inc., of Moorhead, received funding to help expand the business.

Region 5

Programs / Services

- Area Agency on Aging
- Business Assistance
- Business Revolving Loan Funds
- Census Data Center
- Community Development
- Conferences / Workshops
- Economic Development
- Fiscal Agent
- Geographic Information System
- Grant Writing and Administration
- Housing Initiatives
- Land Use Planning
- Local Government Comprehensive Planning
- Natural Resources
- Outdoor Recreation
- Solid Waste Management
- Technical Assistance
- Technical Education Workshops
- Township Road Recording
- Transportation Initiatives



Region 5

Mission

The mission of the Region 5 Development Commission is to assist the local communities in developing a sustainable and diversified economy, in developing the cultural resources which contribute to the quality of rural life, and in developing plans for the protection and use of our natural and human resources.

Contact

Bob Hutton, Executive Director
(218) 894-3233
FAX: (218) 894-1328
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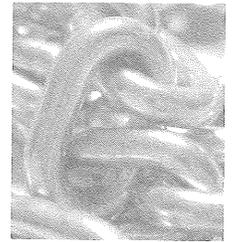
"I really like the fact that the R5DC gets together with their legislators on a quarterly basis. This type of forum is to be commended. That is how I keep current on the issues. I am able to intermingle with department heads, county commissioners, etc. It is a great resource for me."

Representative Mary Ellen Otremba
District 11B

Region 5 Executive Director, Bob Hutton, presents the keys to the new owner of a home built by a partnership to create affordable housing.

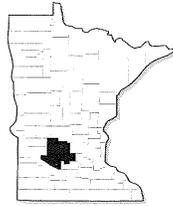


Mid-Minnesota



Programs / Services

- Area Agency on Aging
- Building Inspection Services
- Business Assistance
- Census Data Center
- Community Development
- Comprehensive Plans
- Conferences/Workshops
- Economic Development
- Financial Packaging
- Fiscal Agent
- Geographic Information System Services
- Grant Administration
- Health Insurance Counseling
- Housing Information and Assistance
- Land Use
- Natural Resources
- Ordinance Codification
- Outdoor Recreation
- Project Administration
- Revolving Loan Funds
- Technical Assistance
- Tax Increment Financing Districts
- Transportation



Region 6E

Mission

We will administer state and federal programs, coordinate multi-jurisdictional activities, and provide technical assistance to government, businesses and local organizations to maintain or enhance the quality of life in the counties of Kandiyohi, McLeod, Meeker and Renville.

Contact

Donn Winckler, Executive Director
(320) 235-8504

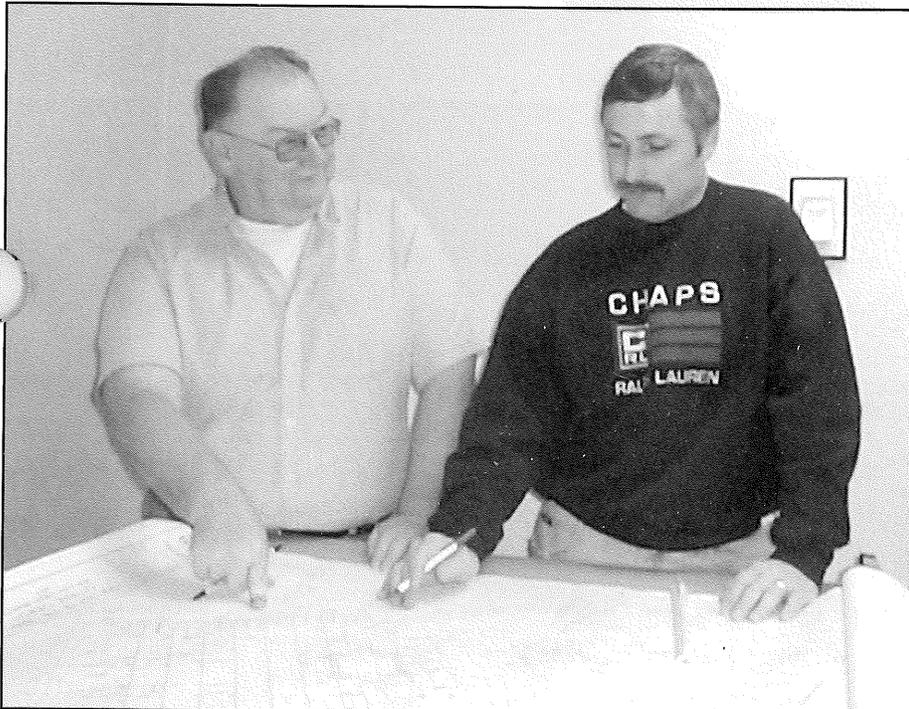
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Web Site: www.mmrdc.org

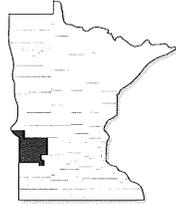


(l-r) Certified State Building Officials, Butch Schulte and Daryl Pederson, conducting a plan review. The Mid-Minnesota Regional Development Commission was awarded a 2002 Innovation Award from the National Association of Development Organizations for providing State Building Code Inspection Services to a number of communities, along with a host of other inspection services within the region.

Upper Minnesota Valley

Programs / Services

- Area Agency on Aging
- Business Assistance
- Census Data and Statistics
- Community Development
- Comprehensive Plans
- Conferences/Workshops
- Economic Development
- ElderCare Development Partnerships (formerly SAIL)
- Fiscal Agent
- Geographic Information System Services
- Grants Writing and Administration
- Health Insurance Counseling
- Housing
- Land Use Planning
- Natural Resources
- Outdoor Recreation
- Project Administration
- Project ROSE (Reaching Out to Support Elders)
- Research Funding Sources
- Revolving Loan Funds
- Senior LinkAge Line® (I&A)
- Technical Assistance
- Tourism (Western MN Prairie Waters)
- Transportation



Region 6W

Contact

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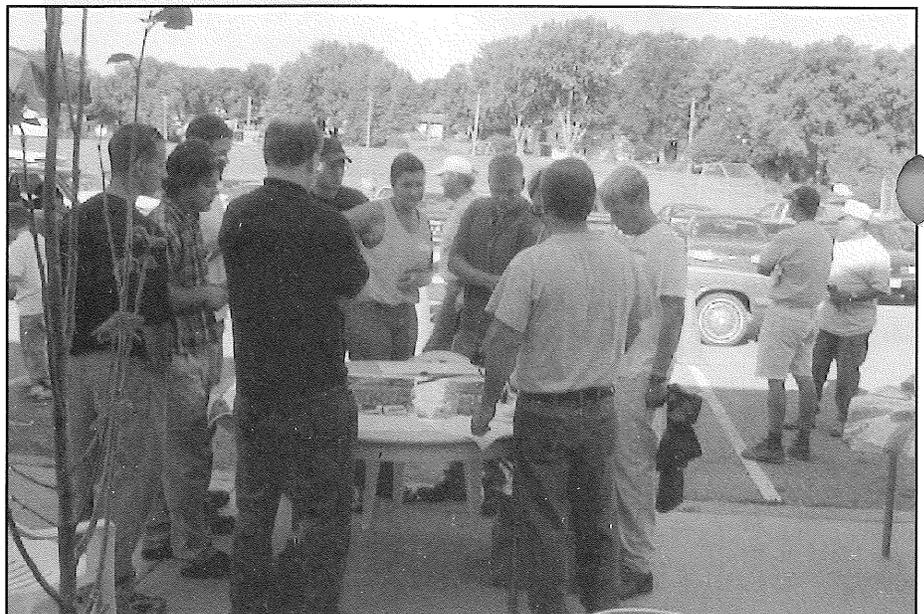
Mission

Enable the region to thrive through assisting local governments.

"The mapping regional development commissions do for counties is an invaluable tool. All RDCs cooperate with local governments and rural residents to do things they could not do on their own. I always appreciate the work of RDCs."

Senator Gary Kubly
Senate District 20

UMVRDC staff volunteered after the tornado that ravaged Granite Falls in 2000. The parcel-based GIS maps played an integral part in determining placement of volunteer groups for the disaster clean-up effort. The UMVRDC continues to assist in disaster recovery with grant administration as well as city planning to help mitigate future flood and tornado disasters.

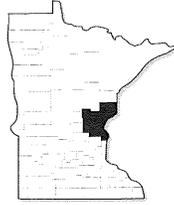


East Central



Programs / Services

- Aging Information and Referral
- Area Agency on Aging
- Arts
- Business Assistance
- Census Data Center
- Community Development
- Conferences/Workshops
- County Transit Programs
- Economic Development
- Fiscal Agent
- Geographic Information System/
Mapping and Training
- Housing
- Land Use
- Regional Labor Force Committee
- Revolving Loan Funds
- Shared Prosperity Alliance
- Technical Assistance
- Transit Services/Technical
Assistance
- Transportation



Region 7E

Mission

Our mission is to provide leadership and direction through creative problem solving. We do this by initiating projects and programs that lead to creative solutions to regional problems, providing technical assistance and identifying and developing available resources. We serve in a leadership role as an advocate for East Central Minnesota to bring about positive change.

Contact

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“Regional development organizations provide a conduit for ideas from a variety of local units of government (cities, counties, townships, school districts) that will bring about positive change for the future.”

Representative Sondra Erickson
District 16A



The East Central Regional Development Commission and the East Central Arts Council hosted the IMAGE Art Show at the Commission offices in Mora. The event displayed a fine selection of regional artwork and drew a large crowd. In this photo, Art Show judge John Salminen conducts a tour of the artwork explaining artistic principles.

Southwest

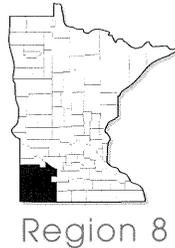
Programs / Services

- Area Agency on Aging
- Business Assistance
- Census Data Center
- Community-Based Planning
- Community Development
- Conferences/Workshops
- Economic Development
- Emergency Medical Services
- Energy
- Fiscal Agent
- Geographic Information System Services
- Health Insurance Counseling
- Housing
- Land Use
- Natural Resources
- Outdoor Recreation
- Revolving Loan Funds
- Solid Waste
- Technical Assistance
- Transportation

“Regional Development Commissions are the key to the future of this region and the state. Without RDCs we would not be able to access grants, create new businesses or work on different projects. They have the knowledge and skills that benefit local units of government.”

Senator Jim Vickerman
Senate District 22

Attendees at the Third Annual Cultural Diversity Conference: *Understanding Somali Culture and Islamic Values*, discuss the roles of women in Somali culture. The conference was held at the Marshall Area High School. It was sponsored by Regional Resources for Rural Minnesota (RRRM), a group representing agencies and minorities in Southwest Minnesota, facilitated and staffed by the Southwest Area Agency on Aging, a program of the SWRDC.



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Mission

It is the mission of the Southwest Regional Development Commission (SWRDC) to address the economic, social, physical, and governmental needs and opportunities of Southwestern Minnesota; while transcending traditional jurisdictional configurations. Further, to apply a regional perspective to problems, allowing for a coordinated effort by local units of government to address the needs of the region's citizenry and the activities of area agencies resulting in the sharing of regional private and public resources while increasing the efficiency of government in general.

In addition, the Commission shall serve as the mechanism for initiating change in local, regional, state, and federal policy, programs and regulations translating the region's concerns into a blueprint of action.

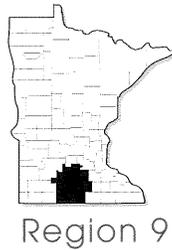


Region Nine



Programs / Services

- Area Agency on Aging
- Census Data Center
- Chicano-Latino Youth Leadership Institute
- Community Development
- Conferences / Workshops
- Economic Development
- ElderCare Development Partnership (formerly SAIL)
- Fiscal Agent
- Geographic Information System
- Grant Writing
- Health Insurance Counseling
- Housing
- Land Use
- Minnesota Rural Futures
- Outdoor Recreation
- Prevention and Healthy Communities Network
- Project ROSE (Reaching Out To Support Elders)
- Research and Program Development
- Revolving Loan Funds
- Saludando Salud
- Small Business Development Center
- Technical Assistance
- Transportation



Region 9

Mission

The mission of the Region Nine Development Commission is to promote the development of the region through intergovernmental cooperation, community and human development, long-range planning and technical assistance.

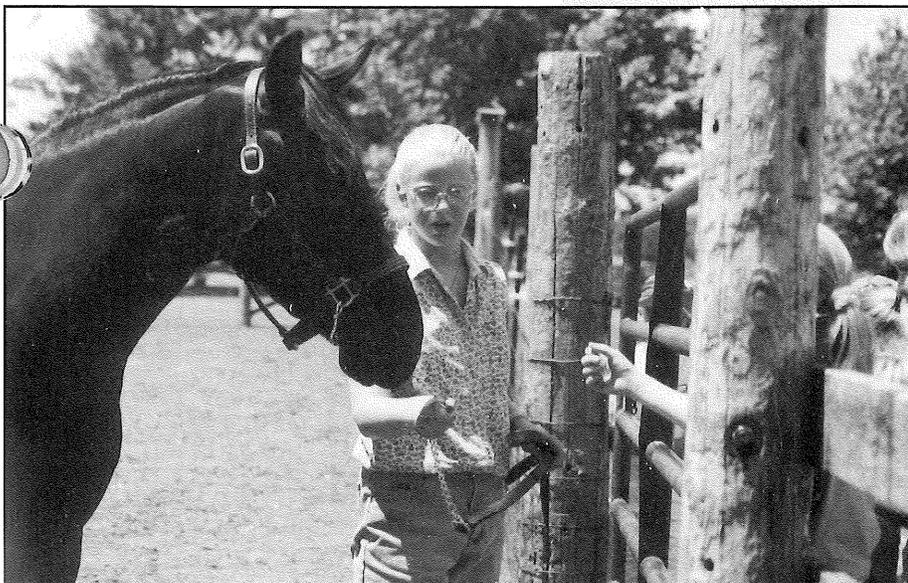
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“RDC members are concerned citizens from local units of government who work with small and large communities on the issues affecting their region. They are a valuable resource for legislators. I received mapping information from Region Nine to help legislators make decisions on bike trails. RDCs are also the gatekeepers to grants. They write grants and find funding opportunities for local units of government who otherwise do not have the budget for a grant writer.”

Representative Bob Gunther
District 24A



“Don’t Horse Around With Drugs” was the theme of the Maple River Community Network’s Summer Arts Program. Jessica Anderson and Josie tell youth about horse care. The Maple River coalition is part of R9’s nationally-recognized Prevention and Healthy Communities Network.

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