

# SESSION WEEKLY

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# SESSION WEEKLY

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## Week at a glance

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**Tobacco penalties stalled** — Controversy lit up the House Feb. 27 and ended with no action taken on a proposal to crack down on tobacco sales to minors. The bill would require training for all retail clerks and use stiff fines and, in some cases, tobacco license suspensions to penalize retailers who violate state law by selling tobacco to minors. .... **Page 7**

**Vocational education** — Vocational training at the high school level must not be considered a dumping ground for students who are not college bound, a member of a planning committee created to study the subject told lawmakers. .... **Page 10**

**Feeding hungry deer** — The House narrowly rejected legislation Feb. 26 for a \$750,000 emergency deer feeding program in northern Minnesota, but did an about-face the next day. The vote on Feb. 27 was 87-46. .... **Page 10**

**Omnibus state government bill** — A \$7.7 million omnibus state government finance bill cleared the House floor Feb. 28. The vote was 88-45. .... **Page 11**

**Reducing mandates** — If there is a foot of fresh snow on the ground and travel is dangerous in Bemidji, the president of the local state university may want to close the campus for the day. But, he or she can't without approval from St. Paul. The House passed a bill Feb. 27 that would change that and do away with all sorts of state mandates on colleges and universities. .... **Page 12**

**College bonds** — Minnesota parents would be able to buy tax-free bonds to help pay for a child's college education under a bill approved Feb. 29 by the House Ways and Means Committee. .... **Page 14**

**Rejected referendum** — The Minnesota Twins suffered a shutout Feb. 23 at the hands of a House panel. Lawmakers rejected a bill to test the mood of metropolitan-area voters on building a new baseball stadium. .... **Page 15**

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On the cover: As spending bill after spending bill passed between the House and the Senate throughout the week, lobbyists hovered just outside the chambers waiting to make that last-ditch pitch to lawmakers before a floor vote.

— Photo by Andrew Von Bank

# Highlights

## Omnibus tax bill . . .

### Cabin owners would see property tax bills drop

**T**ax cuts for cabin owners and apartment owners, which would lead to tax hikes for homeowners and businesses, are among the items contained in the 1996 omnibus tax bill. The proposal (HF3249) won approval from the House Ways and Means Committee Feb. 28.

Sponsored by Rep. Ann Rest (DFL-New Hope), chair of the Taxes Committee, the bill also includes greater exemptions for business equipment and a tax refund on unsold pulltabs for charitable organizations.

The bill's \$8.3 million cost to the state for this biennium is well below the governor's \$24.2 million supplemental budget recommendation and House leadership's \$10 million recommendation.

Rest's bill would cost \$40 million for the 1998-99 biennium, below the governor's \$69.3 million target.

Heavy debate on the measure centered on proposed changes in property tax rates. Rest's proposal to reduce the tax rate by 0.05 percent on cabins, or seasonal recreational property, inspired a flood of amendments to extend the reduction to other properties as well.

Overall, the bill would result in double-digit decreases in property tax bills for apartments, an 8-percent drop for cabin owners, and a 7-percent dip for residential non-homestead property. Those owning agricultural non-homestead property would see a property tax hike of 5 percent, and all other classes — including homeowners — would see an increase of 1 to 3 percent, according to the House Research Department.

"What this bill does is shift taxes from seasonal property owners to homeowners and I think that's wrong," Rep. Irv Anderson (DFL-Int'l Falls) said. "Why should homesteaders have to bear the burden of those that can afford a second home?"

Anderson then successfully added an amendment to reduce the state-imposed tax rate on the first \$72,000 of residential home value from 1 percent to 0.95 percent.

Seasonal recreational property owners would see an 8-percent drop in property taxes under the bill as amended. Last year,

the 2-percent rate on the first \$72,000 in cabin value was cut to 1.9 percent for taxes payable in 1997. For taxes payable in 1998, it will decrease to 1.8 percent, due to last year's legislation. Those changes will mean a loss of \$24.1 million in property tax revenue over the 1998-1999 biennium.

Anderson's amendment was followed by a successful amendment by Rep. Ron Abrams (R-Minnetonka) to reduce the rate from 2 percent to 1.9 percent on higher-valued homes. Rep. Ted Winter (DFL-Fulda) then lowered the rate on agricultural property from 0.45 percent to 0.4 percent. Rates on other classes of property would also be cut by the proposal. (See chart.)

Other major provisions in HF3249 include:

#### Capital, farm equipment exemption

The phase-down of the sales tax on replacement capital equipment would be stepped up and completely phased out by 1999 under the bill. Proponents have said taxing such replacement equipment inhibits economic development.

In 1994, the Legislature began reducing the rate from 6.5 percent to an eventual 2 percent in 1998. Under the bill, the rate would drop to 1.5 percent in 1998 and eventually hit zero in 1999. (The phase-out also is part of the governor's tax initiative proposal but the bill's implementation sched-

Class Rates Under HF 3249\*

Property Classification	Current Law pay '97	HF 3249 Pay '97	HF 3249 after phase-ins
Residential homestead: Less than \$72,000 Greater than \$72,000	1.0% 2.0	0.95% 1.9	0.95% 1.9
Residential Non-homestead	2.3	2.2	2.0
Market-rate Apartments: Small cities All other	2.3 3.4	2.3 3.2	2.3 2.8
Subsidized Apartments: Title II* Farmer's home admin.**	2.3 2.0	2.3 2.0	1.5 1.5
Commercial/Industrial/Public Utility: Less than \$100,000 Greater than \$100,000	3.0 4.6	2.9 4.4	2.9 4.4
Seasonal Recreational Commercial: Seasonal resorts Homestead resorts	2.3 1.0	2.3 1.0	2.3 1.0
Seasonal Recreational Residential: Less than \$72,000 Greater than \$72,000	1.9 2.5	1.75 2.25	1.5 2.0
Disabled homestead Less than \$32,000	0.45	0.45	0.45
Agricultural: Homestead: House, garage & 1 acre: Less than \$72,000 Greater than \$72,000 Agricultural land & bldgs: Less than \$115,000 Greater than \$115,000: Less than 320 Acres Greater than 320 Acres Non-homestead (incl. timber)	1.0 2.0 0.45 0.45 1.0 1.5 1.5	0.95 1.9 0.4 0.4 0.95 1.45 1.5	0.95 1.9 0.4 0.4 0.95 1.45 1.5

\*Some of these class rate changes are made in article 4.  
\*\*Note: Not all properties currently receiving this classification will qualify for the new 1.5 percent class rate.

source: House Research Department

ule differs from his plan.) The provision would cost \$4.7 million in lost revenue in the 1998-99 biennium.

The current sales-tax exemption on used farm machinery, set to expire in July, would become permanent under the bill. (The tax rate on new farm machinery is 2.5 percent.) The permanent exemption, which is limited to equipment used in the business of farming, would cost the state \$5 million in lost revenue through 1999.

### Disabled homeowners

The omnibus bill expands the number of disabled homeowners who could qualify for reduced property taxes. Currently, a person who is permanently or totally disabled must get 90 percent of their income from public pension sources in order to qualify for the reduced tax rate of 0.45 percent. Under the new provisions, private pensions and other financial sources could be included in the 90 percent figure. The bill also includes a \$50,000 annual income cap for those who qualify for the reduced rate. Currently, there is no income limit.

The salary change would disqualify about 26 people currently covered under the rate.

### Uniform low-income rate

Subsidized and low-income housing units could see up to an 18 percent drop in property taxes and cooperatives could pay more under the bill. Much of the relief for subsidized and low-income properties comes from Rest's extensive low-income housing provision.

Under the provision, certain properties occupied by tenants with incomes at or below 60 percent of the statewide median income; with a rent restriction with the Minnesota Housing Finance Agency for at least five years; and meeting minimum housing standards would be taxed at 1.5 percent instead of 2 or 2.3 percent.

Those that don't meet the qualifications would see a four- or five-year phased-in property tax increase. Tax increases could range from a 0.5 to 0.8 percent on the class rate.

The provision aims to simplify what Rest says is a complicated, time-consuming process that plagues the subsidized and low-income housing markets. The measure would cost \$500,000 this biennium and \$1.5 million in the next biennium in lost revenue. It would affect taxes payable in 1998.

The measure imposes a moratorium on new leasehold cooperatives — a group that raised concerns over the bill. In an effort to address those concerns, the bill also calls for a study of the effectiveness of leasehold cooperatives by the Department of Revenue.

## Overall effect of class rate changes in HF3249

Property class	Change in current tax bill, in percent
residential non-homestead property	-7
market-rate apartments	-11
low-income apartments	-18
seasonal recreational property	-8
agricultural non-homestead property	+5
all other classes	+ 1 to 3

source: House Research Department

As the bill now stands, some leasehold cooperatives, which involve strong tenant participation in building management, would not qualify for the new low class rate.

### Tax deferral for seniors

Senior citizens with incomes under \$30,000 and property taxes that exceed 5 percent of that income could defer property taxes under a provision in the bill.

The state would temporarily cover the deferred taxes, which would become a lien on the property. The deferred taxes, including interest owed would be collected if the property is sold, the homeowner dies, or the property is no longer a homestead.

The provision aims to ease financial troubles for seniors who own homes in areas with rapidly increasing property values. The measure would affect property taxes payable beginning in 1997.

A similar provision was passed by the House last year, but did not survive conference committee.

### Job training credit

Employers who hire graduates of state-approved training programs could get up to a \$20,000 tax credit under a provision in the bill.

Tax credits would come from the corporate franchise tax and would be limited to \$1.5 million over five years. An employer could get an \$8,000 credit for placing a trainee and up to a \$6,000 credit for retaining the employee over a two-year period.

To qualify for the tax credit, an employer would have to hire a graduate from a training program that meets certain requirements.

The program must be at least six months long, spend at least \$5,000 per trainee, help trainees finance basic expenses, include trainees who are older than 18, not dependent, have less than \$10,000 in income over the past two years, and have less than \$5,000 in assets, among other requirements.

Employers would also have to pay graduates \$9 per hour in the first year and \$10 in

the second and third years in order to qualify for the tax break.

The tax credit would sunset in 2001.

### Cogeneration

High-efficiency electric power generation plants would be exempt from equipment property taxes under a provision in the bill.

The measure, initially proposed by Rep. Loren Jennings (DFL-Harris) has been touted as a way of keeping Koch Refining Co. from leaving the state with its proposed \$300 million cogeneration project.

The provision would affect all prospective cogeneration plants in the state. It would cost \$10,000 in lost revenue this biennium and \$40,000 in the 1998-99 biennium.

Under the bill, electric generation plants that achieve levels of high-efficiency would be exempt from property taxes on equipment used in cogeneration. Cogeneration is a combustion process that uses heat more efficiently than a conventional power plant does.

The commissioner of revenue would calculate the plant's level of efficiency by using a complex formula involving electrical power and thermal energy output and energy inputs. Wind energy conversion systems would not qualify for the exemption.

Critics of the proposal have included Northern States Power Co. and other energy-generators that would not, under current practices, get the tax break. Proponents have said the measure will offset Minnesota's steep property taxes and make the state appeal to cogeneration facilities, which are more efficient than traditional power plants.

### Wind energy

A proposal by Rep. Ted Winter (DFL-Fulda) both establishes a new property tax rate for large wind generation facilities and allows facilities to recover such taxes through rates charged.

The measure comes as the state anticipates the construction of large-scale wind generation facilities by Northern States Power Co. and possibly other companies in southwest-

ern Minnesota. NSP was mandated to pursue wind generation as part of the 1994 Prairie Island dry-cask storage legislation.

Wind generation facilities were exempt from property taxes until last year to encourage the development of renewable energy. Current law exempts more than 85 percent of a wind energy system that produces more than two megawatts of energy.

Small- and medium-scale wind energy systems would see no tax change under the bill.

Small-scale facilities are defined as those systems producing less than two megawatts of energy, and remain tax exempt. Medium-scale facilities, to be defined as those producing between two and 12 megawatts, would be taxed as they are today: on less than 15 percent of their total market value.

The newly defined tax for large-scale facilities (those producing more than 12 megawatts of energy) would be assessed on 40 percent of the market value of the system.

The bill also includes a "pass through" provision which states that a facility can recoup property taxes paid through the rates it charges. A large-scale facility currently operating in southwestern Minnesota was built when the state exempted such facilities from property taxes. The pass through provision aims to help such facilities.

### **Northwest Airlines break**

Northwest Airlines would get a tax break beginning in 1998 under a provision that exempts some "leased movable property" from Minnesota taxes.

Under the provision, a leased airplane, motor vehicle or railroad car that is used in another state would not be subject to Minnesota's sales tax. Current law requires a Minnesota-based company to pay sales and other taxes on airplanes, cars, or other leased movable property whether or not it is used in Minnesota. Under the bill, the Minnesota company would be responsible for paying another state's sales tax on such property, if that state required it.

The provision, which is also in the Senate omnibus tax bill, would cost the state \$3.6 million in tax revenue in the next biennium.

### **Out-of-state purchases**

Minnesotans could buy up to \$770 worth of out-of-state goods and not pay sales taxes on them under the bill. Under current law, any purchase made in person or through mail order from another state for non-business purposes is subject to the state sales tax. The bill would exempt purchases up to \$770 and would cost the state about \$200,000 through 1999, according to the Department of Revenue.

### **Simpler sales tax refunds**

Companies could skip a step in the process of getting sales tax refunds under a provision in the bill. Currently, when a company makes a sales tax-exempt purchase — from a vendor, for example — the company pays the sales tax and later seeks a refund through the vendor. The bill's provision would allow the company to apply directly to the Department of Revenue for the refund, as long as the total refund request exceeds \$500. Supporters of the provision have said the change will mean less paperwork and tedious record-keeping for companies.

### **Exempting taxable services**

Preventing "tax pyramiding" or double-taxing is the goal of a provision that exempts materials used in providing taxable services from sales or use taxes. The provision simply extends the current exemption on materials used in the production of taxable products to taxable services including: laundry and dry cleaning, car washing and cleaning, building and residential cleaning, exterminating and disinfecting, detective and security, pet grooming, and lawn and gardening.

The exemption would be effective Dec. 31, 1996.

### **Iron Range tax sharing**

Taconite producers and other Iron Range businesses could get some tax relief under a proposal that establishes a fiscal disparities tax-sharing program for the Iron Range.

The program would be modeled after the metro area's fiscal disparities program, which requires municipalities to contribute a percentage of their commercial-industrial tax base growth to an area-wide "pool." The pool is then used to equalize disparities in property wealth per capita between districts.

Areas with strong commercial-industrial growth often subsidize other areas under such a program.

Under the provision, commercial-industrial properties would pay a split tax rate in all of Cook and Lake counties, most of Itasca and St. Louis counties and a small part of Aitkin, Crow Wing and Koochiching counties. Part of the tax would be based on the local tax rate and the other part would be based on the area-wide rate. Under the proposal, the area-wide portion of the tax rate would not exceed 40 percent of the total tax rate.

### **Taconite relief**

Koochiching and Carlton counties are among the northern Minnesota areas that would see increased environmental development grants under a provision to help the Iron Range.

Under a provision aimed at the Iron Range economy by Reps. Steve Sviggum (R-Kenyon) and Tom Bakk (DFL-Cook), the share of taconite tax revenues paid to the Iron Range Resources and Rehabilitation Board (IRRRB) would be increased. Currently, the revenues from one cent of the production tax on mining companies goes to the board. The bill increases the amount to 1.5 cents. The increase would cost \$200,000 this biennium and \$400,000 in 1998-99.

The IRRRB was established in 1941 to encourage economic diversification on the Iron Range.

### **SCORE taxes**

Disparities in the remittance of local waste collection and disposal taxes would be studied but not corrected under a provision in the bill. The provision is scaled back from Rep. Jean Wagenius' (DFL-Mpls) plan to credit counties that paid too much in SCORE taxes and collect from those that have underpaid.

SCORE, which stands for Select Committee on Recycling and the Environment, refers to the taxes counties and local governments pay on public and private mixed municipal solid waste management. There are wide disparities in the amounts of SCORE taxes paid, with some local governments reporting either overpayments or underpayments.

Under HF3249, a task force established by the Office of Environmental Assistance would make recommendations to the Legislature on how to improve the collection of the SCORE tax. The Department of Revenue could not implement any plan to end disparities until June 1997.

### **Special service districts**

Cities and towns could establish on their own special service districts for commercial or housing improvement projects. Currently, local governments must get legislative approval before establishing any special service district.

Such districts allow for additional tax levies to be imposed, with the additional revenue used for housing improvements.

The measure, proposed by Rep. Steve Kelley (DFL-Hopkins), aims to let cities — instead of the state — govern themselves.

The bill also requires local governments to inform affected communities of their intent to create a special housing improvement district.

### **Redirecting county funds**

More than \$6 million in state aid to county rail authorities would be redirected to county criminal justice efforts.

Several years ago the state appropriated homestead and agricultural credit aid (HACA)

funds to county railroad authorities for their role in planning and providing for light rail transit in the metro area.

Rest has proposed redirecting \$6.8 million in HACA funds because the light rail project is not being actively pursued. Rest does not know what the rail authorities have done with the money, but said they should stop getting it. The proposal comes at same time several local media outlets have raised the issue.

### Performance goals

Cities and towns could either increase or decrease their share of state aid under a provision in the bill. Rep. Andy Dawkins' (DFL-St. Paul) measure would require that cities establish "performance measures" in order to get homestead and agricultural credit aid (HACA). The provision aims to increase the accountability of local governments by requiring cities or towns to adopt goals and work toward them.

The measure would abolish the current HACA aid program which gives \$2 per capita to cities and counties. It makes that amount plus an inflationary increase available to cities that indicate on their HACA form that there are performance measures in place.

The measure would cost \$400,000 this biennium and \$1.1 million in the next biennium.

### Pulltab refunds

An organization that purchases pulltabs and tipboard games could get a refund on unsold tickets under a provision in the bill.

Under current law, the state's 1,575 pulltab and tipboard game operators, which must be run by charitable organizations, pay a 2-percent tax on projected gross revenues to distributors of such games.

Rep. Bob Milbert's (DFL-South St. Paul) proposal would appropriate \$2.5 million this biennium and \$10.2 million in 1998-1999 to refund taxes paid on unsold tickets.

Rep. Phyllis Kahn (DFL-Mpls) said at the Ways and Means Committee meeting that she would like to work with Rest to ensure that the refunds go to charitable purposes. Current law requires between 40 and 50 percent of bingo and gambling profits to go toward charitable purposes, including donations to non-profits, the homeless, or anti-gambling programs, among others.

### Motor fuels taxes

Unlike the Senate omnibus tax bill, **HF3249** does not include a statewide gas tax.

Among the House bill's mostly technical motor fuel provisions is a measure that clarifies when a tax should be collected on the sale

of motor fuel. The provision, which is in response to a recent decision by the U.S. Supreme Court, mandates that the first distributor of motor fuel is responsible for the tax.

The measure aims to protect Minnesota against challenges to the current practice of collecting the motor fuels tax on reservation sales to individuals who don't live on the reservation.

### School referendums

A measure aimed at reaffirming the state's commitment to "truth in taxation" policy would affect school districts holding bond referendums. Under the provision, county auditors must indicate on a school referendum ballot that approval of a bond issue could result in a higher tax than the school district has proposed.

— Kendall Anderson



## BUSINESS

### Women-owned businesses

Women business owners make 38 percent less than their male counterparts and they apply for fewer bank loans, according to a study by the Department of Trade and Economic Development (DTED).

The findings in "Minnesota Women-owned Businesses: An Analysis of Access to Capital" led to department recommendations for programs to help women improve their business plans and work more closely with banks. The department presented their report to the House International Trade and Economic Development Committee Feb. 26. The study was done by DTED and members of the Women-owned Business Study Advisory Committee.

Among its major findings:

- The average personal income level for female business owners is \$33,559 compared to \$46,412 for men.
- Fifty-five percent of women business owners use commercial loans compared to more than 71 percent of male business owners, despite similar rates of loan approval.
- Loan amounts for women business owners are less than half what they are for men.
- Male business owners have an average of four more years of experience compared to female business owners in the same kind of business.

The study concluded that women's lack of experience relative to men's was directly related to their lower levels of commercial loan

use. Women business owners have "significantly less" experience in management and in writing business plans which are needed to get credit. Female-owned businesses are, on average, six years younger and much smaller than those owned by men.

Despite the disparity in experience levels, the study found Minnesota's women business owners have about the same education level as their male counterparts. And their firms, while being smaller than men's, are seeing sales growth that outpaces that in male-owned companies.

The fact that fewer women than men apply for loans despite similar acceptance rates — 86 percent for men and 87 percent for women — points to several reasons women don't seek loans, the report concluded. Many women assume they won't be approved for a loan and more women than men are likely to use alternative sources of financing, such as credit cards or personal savings.

According to the report, 30 percent of women business owners report using credit cards for financing compared to 20 percent of male business owners.

DTED's recommendations suggest that the state should:

- design training programs for women on ways to write better business plans, apply for loans, and negotiate with lenders if loans are rejected;
- increase information given to women business owners regarding the different ways to finance a business. Information should include details on SBA loans, factoring, margin accounts, leasing equipment, and supplier/leser credit;
- help financial institutions understand the different ways in which women conduct business compared to men. Women, according to the report, don't go back to a bank to negotiate if they are turned down for a loan, are reluctant to disclose some financial information because of privacy concerns, and ask for smaller loans because they are more risk averse than men; and
- encourage banks and other financial institutions to work with the growing service sector, where women are highly concentrated, and where debt financing is difficult because of a lack of fixed asset collateral.

### Regulating pawnbrokers

The state of Minnesota would have the authority to regulate the state's 150 pawnbrokers under legislation passed by the House Feb. 28. The vote was 108-22.

**HF2752**, sponsored by Rep. Darlene Luther

(DFL-Brooklyn Park), would set statewide minimum standards for cities and counties to regulate pawnbrokers.

Under current state law, cities and counties have the option of whether to regulate pawnbroker operations. Under **HF2752**, municipalities would be allowed to set stricter standards for pawnbrokers.

"This gives a basis for many cities to provide a floor," Greg Brooker, an assistant Bloomington city attorney, has told lawmakers. He pointed out that Bloomington, Minneapolis, St. Paul, and other Minnesota cities have "very strict" pawnbroker ordinances already in place.

Among the provisions of the bill, pawnbrokers would be required to apply for and receive a license from the city or county in which they do business. Also, the city or county would be able to revoke a pawnbroker's license and required to notify the appropriate law enforcement agency of such a revocation.

Additionally, in order to obtain a license, a pawnbroker would have to be 18 years of age or older; could not have been convicted of any crime directly related to the pawnbroker business, unless he or she showed "competent evidence of sufficient rehabilitation"; and would be required to be "of good moral character or repute." (See Feb. 16, 1996, *Session Weekly*, page 6)

**HF2752** now moves to the Senate.



## CHILDREN

### Tobacco penalties stalled

Controversy lit up the House Feb. 27 and ended with no action on a proposal to crack down on tobacco sales to minors.

The focus of the debate was a bill **HF108/SF558\***, sponsored in the House by Rep. Loren Jennings (DFL-Harris). The bill would require training for all clerks, use stiff fines and, in some cases, tobacco license suspensions to penalize retailers who violate state law by selling tobacco to minors.

"There is no state in the union with a tougher law," Jennings said.

But some anti-smoking forces and local government officials are less than enthusiastic about the bill.

The controversy centers on a provision that would prohibit local units of government from enacting tobacco sales ordinances tougher than those contained in the bill. (Under the bill, all existing local ordinances would be allowed to continue.)

So-called "pre-emption" laws of varied



**Nasrin Jewell, a professor of economics at the College of St. Catherine, presented the International Trade and Economic Development Committee Feb. 26 with an international perspective on the economic status of women.**

strengths are already on the books in at least 26 states. And pre-emption has been a debated topic of late in state legislatures across the country. At least 28 states, including several of those that already have some pre-emption measure on the books, considered pre-emption bills during 1995.

Anti-smoking forces view pre-emption laws with great skepticism because they often are supported by tobacco companies. Critics of pre-emption argue the companies are accepting some sales restrictions and penalties as part of uniform statewide policies to halt varied and often stricter local ordinances.

Bill proponents say statewide, uniform penalties are necessary, and that blanketing the state with penalties for retailers is an improvement given that just 108 municipalities have imposed penalties to date.

Rep. Ann Rest (DFL-New Hope) proposed an amendment that would give local units of government the authority to pass ordinances that are more restrictive than those set forth in the bill. Jennings argued that removal of the pre-emption provision would erase retailer support for the bill. He stressed that shop owners want uniformity in tobacco regulations.

Rest, refuting Jennings' assertion that the proposed law would be the "strongest in the nation," said local officials should have the authority to take a tougher stance to prevent kids from smoking.

After the amendment passed on a 76-54 vote, Jennings exercised a parliamentary option to halt debate on the bill.

It is unclear whether the proposal will be resubmitted for further consideration this session.



## DEVELOPMENT

### Omnibus development bill

Money aimed at community development, offsetting federal budget cuts, and increasing higher-paying jobs was approved by the House Feb. 28 as part of the omnibus economic development bill. The vote was **68-66**.

The bill, **HF3243**, would appropriate over \$15 million for fiscal years 1996-1997 to different state departments and agencies, with the majority, almost \$11.8 million, coming from the state's general fund.

Rep. Jim Rice (DFL-Mpls), the bill's sponsor, said the bill meets its desired appropriation targets.

Among the provisions in the bill:

#### Trade, economic development

The bill includes \$2.9 million for the Department of Trade and Economic Development (DTED) to go to the Minnesota Investment Fund, formerly known as the Economic Recovery Grant Program. The fund would allow DTED to extend grants of up to \$500,000 to local units of government and recognized Indian tribal governments to help communities create and maintain private-sector jobs, increase local tax bases, and stimulate environmentally safe economic growth. Among other things, the grant money could go toward loans for private business and industry, the creation or improvement of local infrastructure, and interest buy-downs. Any loan to a private entity could not exceed one-half of the cost of the project for which financing is sought.

The grant money will be administered as part of the Small Cities Development Block Grant Program. Any portion of a grant that exceeds \$100,000 must be repaid to the state after it is repaid to a unit of local government or a recognized Indian tribal government by the recipient.

To receive grant money, private entities would have to make a case for the need of public funds, and provide job creation goals, and an established rate of return on any investment of public money.

The bill comes on the heels of a critical legislative audit report that found DTED has given grants when it should not have. The report, which has been denounced by the commissioner, also found half of the jobs created through the grant program pay less than \$7.20 an hour.

The bill requires that recipients of a loan pay their employees at least \$7.44 per hour. According to Jay Novak, DTED commissioner, the department doesn't currently con-

sider funding development projects unless prospective employers in the metro area pay employees at least \$10 per hour, and employers in outstate areas pay their employees at least \$8 per hour.

An amendment on the House floor by Rep. Jim Girard (R-Lynd) to remove the provision requiring prospective employers to pay \$7.44 per hour (175 percent of the current minimum wage) was defeated. Supporters of the amendment said that despite current DTED policy, past development projects which have benefited rural Minnesota would never have survived under the language of the current bill. They also said that the language could prove problematic in the event of an economic downturn, or an increase in the minimum wage.

Opponents of the amendment stated that private companies that receive state assistance should be required to pay decent wages. Otherwise, prospective employees would still seek state assistance to pay health care, housing, and other costs.

### **Cold weather research**

Under the bill, DTED would also receive \$125,000 to study cold weather research needs and opportunities in consultation with the Minnesota Cold Weather Research Center.

Recently, Kelsey-Hayes, a company that conducts cold weather testing, moved its operations from International Falls to the Upper Peninsula of Michigan, costing the city \$1 million in lost revenue.

The study will address ways to encourage cold weather research in Minnesota funded by non-state entities, and the possible economic benefits for the state.

Rep. Irv Anderson (DFL-Int'l Falls) testified earlier that a larger market exists for cold weather research, and he'd like to see the state do more in that area.

DTED must submit the findings of the study to the Legislature by Jan. 1, 1998.

### **Economic security**

The largest portion of money appropriated from the general fund (\$5.47 million) would go to the Department of Economic Security, primarily for the Minnesota Youth Program. A total of \$4.5 million would be used to offset a federal cut to Title 2B of the Job Training Partnership Act, formerly a parallel program funded by the federal government.

The primary component of the Minnesota Youth Program is a summer youth employment and training program. This program allows disadvantaged youth to work in a variety of settings in all 87 Minnesota counties. The work primarily takes the form of

public works projects: the construction of park retaining walls, environmental cleanup, and wetland restoration. Cooperating communities provide the necessary materials. The program funds site supervision so that participants can obtain the necessary skills to complete the projects. Participants receive training in team building skills and conflict resolution as well.

One-half of the program participants are 14- and 15-year-olds who can't yet work in the private sector and are receiving their first employment experience.

There is also an academic enrichment component to the program, where kids struggling in school receive help in improving their communication and math skills.

And kids who drop out of school can receive help in obtaining their diploma, getting a GED, resume building, and the acquisition of work maturity skills.

According to John Olson of the Department of Economic Security, heading into the summer of 1996, only Minnesota and Michigan out of the nine-state midwestern region still have these types of training programs.

### **Employment, training services**

A total of \$450,000 also would be given to the department to augment the Minnesota Workforce Center System. The system is relatively new and aims to combine the delivery of employment and training services (mostly administered by the department) under one roof whenever possible, saving money formerly spent on separate lease and phone and data lines. It also streamlines customer access to services and programs, according to Jane Brown, department commissioner.

Six workforce centers exist currently, with more planning to open. The department hopes that other state agencies that deliver services related to employment and training will want to locate their operations at the various workforce centers.

The specific appropriation within the bill would assist the department in hooking up to the MnNet System and data lines to establish a cohesive computer system among the operations located within a workforce center. This way, people applying for services offered by the department — employment or job training services, Services for the Blind, vocational rehabilitation — would have to fill out only one application which could then be accessed by agencies throughout the department, thus eliminating paperwork, saving money through the combination of resources, and matching up applicants and services more effectively.

Eventually, customers would be able to tie

into the computer system to access information regarding employment, including job listings, current employment trends, and job training provided by different institutions. Businesses also would be able to access certain information to help meet their employment needs.

The remaining money appropriated to the department would go to employment support services for the mentally ill and the creation of transitional housing.

### **Labor and industry**

The bill appropriates \$2.8 million from the Special Compensation Fund to the Department of Labor and Industry to be used for the Daedalus Electronic Imaging Systems Project.

The aim of the project is to provide a comprehensive computer reference system for workers' compensation files. This way, people needing access to the files (judges and case specialists) could do so via computer, and access could be provided simultaneously. Past research was done by hand.

The department hopes this will lower the number of disputes by getting good information to people more quickly. All paper files would eventually be eliminated.

The Special Compensation Fund is administered by the department, primarily covering system administrative costs, the reimbursement of second injuries, benefits to employees of uninsured employers, and supplemental costs. The fund is supported by required employer contributions resulting from the work-related death of an employee, or different types of work-related injuries.

### **Historical society**

Under the bill, the Minnesota Historical Society would receive \$1 million, \$850,000 of which would go to employee compensation. This translates into a one-year salary supplement for historical society employees, unlike the two-year supplement which is going to other state employees.

The House eliminated a provision within the bill that would have given the St. Anthony Falls Heritage Board approval over any project undertaken within the heritage interpretive zone that would have affected significant historical sites. The heritage zone runs along a two-mile stretch of the Mississippi River in Minneapolis.

Opponents of the provision were concerned that it could lead to the restriction of industrial development, and possibly inhibit the University of Minnesota from upgrading its steam plant.

## Natural resources

A total of \$750,000 would be appropriated to the Department of Natural Resources from the Taconite Environmental Protection Fund to help fund the purchase and development of the Iron Range off-road vehicle park.

The park would be located east of Gilbert, Minn., for use by all-terrain and four-wheel drive vehicles, and off-road motorcycles. It would be on the site of a former natural ore mine.

The fund was created for the purpose of reclaiming, restoring, and enhancing areas in northeast Minnesota adversely affected by the mining of taconite and iron ore. The fund is supported by a production tax on iron ore.

Operation and maintenance costs associated with the park would be covered by licensing and gas taxes paid by users.

## Minnesota Technology Inc.

The Natural Resources Research Institute in Duluth would receive \$700,000. The money would be administered by Minnesota Technology, Inc. The institute promotes environmentally safe economic development within Minnesota as a means of creating private sector employment. They oversee approximately \$10 million per year for research and development activities.

## Housing Finance Agency

A total of \$500,000 dollars would go to the Minnesota Housing Finance Agency. Part of the money would be to supplement prior appropriations aimed at community rehabilitation. A total of \$250,000 would be used to purchase, tear down, or rehabilitate multi-unit residential rental property in an effort to combat concentrations of substandard housing.



## EDUCATION

### Moment of silence

Public school students could be asked to observe a moment of silence at the beginning of each school day under a \$26 million education spending proposal approved by the House Feb. 26. The vote was 96-34.

**HF2156**, sponsored by Rep. Alice Johnson (DFL-Spring Lake Park), would spend about half of what Gov. Arne Carlson recommended for elementary and secondary education programs.

The bill does not include funding for some of Carlson's major education proposals, including the \$15 million he proposed be spent on a school voucher pilot program and funds for computer hardware.

The measure would spend \$11 million to bolster the use of technology and expand Internet access for schools. It also would devote funds to after-school programs, full-day kindergarten, and other projects designed to help disadvantaged students.

A provision authorizing a daily moment of silence in public school classrooms was attached to the bill with a floor amendment offered by Rep. Dan McElroy (R-Burnsville).

Opponents of the amendment, which passed on a 102-31 vote, argued that it's a thinly veiled attempt to bring religion into schools.

"This is another example of the Legislature going into the area of religion [in schools] through the back door," said Rep. Matt Entenza (DFL-St. Paul).

But McElroy said his amendment stays clear of the school prayer issue. The measure would simply allow teachers to ask for voluntary participation in a moment of silence, he said.

"We concentrate on the ability to read, write, and do mathematics," he said. "This will give people an opportunity to also think."

The House has approved similar proposals in the past. In 1995, language allowing a moment of silence was attached to the K-12 education bill that passed the House, but the provision failed to survive in conference committee.

On Feb. 27, the Senate passed a K-12 education bill that also includes the moment of silence provision.

This year's House bill also includes \$1.7 million for continued development of the state's graduation rule. House members re-

jected an amendment that would have required districts to use a single statewide test to measure whether the standards are being met.

Rep. Leroy Koppendrayner (R-Princeton) backed the statewide test, which he claimed would provide a reliable measurement of school performance.

But opponents argued that results of such a statewide test would be used as political ammunition against schools, especially those with high numbers of disadvantaged students.

The bill also would narrow the scope of the proposed graduation standards. Minimum proficiency tests would be limited to the subjects of math, reading, and writing.

Last year, lawmakers called for standards in an additional four subject areas. Assessment of performance in the other subjects would be shifted from minimum standards testing to the Profile of Learning, a broad analysis of each student's overall performance.

Here's a look at the bill's other major provisions:

- A total of \$11 million would be spent on technology programs, under the bill. Most of that money — a total of \$8 million — would be used to expand Internet access in schools and libraries. Another \$1.4 million would be devoted to training teachers in the use of technology so they can pass on those skills to their students. A total of \$1 million would be offered in grants to school districts, private schools, and community organizations that operate after-school programs giving children access to computers.



Margot Imdieke, an accessibility advocate for the Minnesota Council on Disability, tried out the new ramp constructed at the historic porte cochere (coach port) entrance of the State Capitol. The covered entrance, on the Capitol's north side, serves as a "drop off" point for visitors. It was originally used by those arriving by horse and carriage. Imdieke participated in the ramp's opening Feb. 29.

- Under the bill, \$3.2 million in grant funding would allow certain schools to offer full-day kindergarten to ensure that students are equipped with the basic skills needed to succeed in first grade. Schools with the highest percentage of students on free and reduced-price lunch programs would be first in line to receive a share of the grant money.
  - Children in some of the state's poorest areas would be the beneficiaries of \$2.5 million for after-school programs. Grants would support programs aiming to reduce juvenile crime and school behavioral problems in six Minneapolis and St. Paul neighborhoods and other selected areas.
  - School sites would have more authority to make budget and programming decisions. Under the bill, school site councils would control a small share of the per pupil revenue given to districts, and the site councils would be eligible to receive additional grant funding from the state.
- (See Feb. 16, 1996, *Session Weekly*, page 17 and Feb. 23, 1996, *Session Weekly*, page 9)

## Vocational education

Vocational training at the high school level must not be considered a dumping ground for students who are not college bound, according to a member of a planning committee created to study the subject.

Instead, vocational programs should be part of an effort to prepare students for the job market of the future, said George Copa, a University of Minnesota professor and planning committee member.

"For too long this state has forced people to make a choice between a strong academic education and a strong vocational education," he said. "[A vocational high school] would not be a place that would limit opportunities. It would open opportunities."

Copa and other members of the planning committee made a preliminary report on their efforts to the House Education Committee Feb. 29.

The planning group was established under a provision in the 1995 K-12 education funding law.

The 21-member committee includes lawmakers, other state officials, students, parents, teachers, school administrators, and representatives of industry and labor.

Their job is to develop a preliminary plan for a state-of-the-art vocational high school in Minnesota.

Some had envisioned the formation of a vocational institution akin to the state's arts high school — a single location offering

specialized courses of study in addition to normal academic requirements.

But planning committee members say they are already on a course that could lead to a recommendation to provide advanced vocational high school programs at multiple sites across the state.

Central to their task will be changing the role of vocational education and the opinions people have about it, they said.

"We want to change the culture here in Minnesota," said Christine Matuzek-Rivas, education director for the state AFL-CIO and a planning committee member. "We want students, parents, and the community to view vocational education as prestigious."

Planning committee members said vocational education must put a premium on the skills that will be crucial in the future job market.

Technical knowledge and adaptability will be vital whether the student goes on to college or not, according to Matuzek-Rivas.

Planning Committee member Lynda Forbes, a senior consultant for Northern States Power Co., said improved vocational training at the high school level would bolster the state's work force.

"Vocational high school can be an essential ingredient in this state's ability to sell itself to potential new employers," Forbes said.

And Rep. Alice Seagren (R-Bloomington), a member of the planning committee, said high school students should be given more career counseling and training without being locked into one specific course.

"We wouldn't have as many dropouts if kids had an idea of what they are shooting for," Seagren said.

Rep. John Dorn (DFL-Mankato) urged planning committee members to look for ways to integrate improved vocational education at current high schools.

The shop classes of old are gone, Dorn said. And high schools are working to deliver technical training.

"Some of this is happening because we see the world changing," he said.



## ENVIRONMENT

### Petrofund changes

Some former gas station owners and other former dispensers of petroleum could get more state aid for clean-up projects under a bill passed by the House Feb. 21. The vote was 132-0.

Bill sponsor Rep. Gene Pelowski (DFL-Winona) said **HF2519** aims to help small-time petroleum dispensers who are no longer

in business pay for costly clean-ups at their former business sites. He said such operators often have to tap into life savings to fund the state-mandated clean-ups.

The bill would provide 100 percent reimbursement from the state's Petroleum Tank Release Cleanup Program for costs in excess of \$250,000 at sites if an individual:

- did not own more than three locations within the state at which motor fuel was dispensed into motor vehicles; and
- has sold all locations that were used to store petroleum products and has discontinued operation of all petroleum retail operations.

An amendment by Rep. LeRoy Koppenrayer (R-Princeton) extends more relief to petroleum operators who are still in business. Under the amendment, an individual could get 90 percent reimbursement on the first \$250,000 of clean-up costs and 100 percent of any additional costs at a site where less than 600,000 gallons of fuel have been dispensed annually.

The "Petrofund" program is financed by a 2-cent-per-gallon fee on wholesale petroleum and was established by the 1987 Legislature to help owners of storage tanks recover cleanup costs.

The bill now moves to the Senate.



## GAME & FISH

### Feeding hungry deer

The House narrowly rejected legislation Feb. 26 for a \$750,000 emergency deer feeding program in northern Minnesota, but did an about-face the next day. The vote on Feb. 27 was 87-46.

House sponsor Rep. Tom Bakk (DFL-Cook) said the proposal (**HF2902/SF2596\***) would help a deer population that could be hurt by this year's record-breaking low temperatures and deep snow.

The House passed a resolution (**HR11**) in Jan. 29 requiring the Department of Natural Resources (DNR) to start an emergency feeding program in the northern one-third of the state (areas north of State Highway 210 and U.S. Highway 10). Bakk's bill would provide the funding to carry out that order, requiring that \$750,000 from the state game and fish fund (which is funded by the sale of hunting and fishing licenses) be used for emergency deer feeding.

Rep. Charlie Weaver (R-Anoka), speaking against the bill Feb. 26, pointed out that the state's deer population is currently around 200,000, or about four times larger than it

was a few decades ago. Opponents also said that DNR biologists estimate the emergency program would help only 3 percent of the deer population, making the effort an unwise expenditure of game and fish fund dollars. Long-range creation of natural habitats is a more effective approach to helping deer, some said.

But proponents said a band of willing volunteers is ready to bring the feed to where it is needed most.

The DNR currently runs a deer feeding program in agricultural areas of northwestern Minnesota but hasn't fed deer in the forested areas of the northeastern part of the state since 1989. The department expects to use \$260,000 this biennium for deer feeding in northwestern Minnesota. DNR officials say it's very difficult to increase deer populations in the state's northeastern forest areas because the animals are hard to locate and difficult to reach by road. However, Rep. Steve Sviggum (R-Kenyon), who made the motion to reconsider the bill, said snowmobile trails are in good enough shape to help volunteers and the DNR reach the deer. (See Feb. 2, 1996, *Session Weekly*, page 11).

The bill now goes to the governor.



## GOVERNMENT

### Omnibus state government bill

A \$7.7 million omnibus state government finance bill cleared the House floor Feb. 28. The vote was 88-45.

The governor had recommended \$20.3 million in spending.

Rep. Tom Rukavina's (DFL-Virginia) bill (HF2857) differs most from the governor's recommendations because it appropriates less money for statewide computer projects. The bill allocates \$4.3 million for the continued implementation of a new statewide computer system, for which the governor's wanted \$12.9 million.

Absent from the bill is Rep. Phyllis Kahn's (DFL-Mpls) proposal to require the University of Minnesota to get legislative approval before moving forward on their controversial steam plant project. An amendment by Rep. Dennis Ozment (R-Rosemount) struck the provision, which is also contained in HF2351, now pending on the House floor.

Another amendment by Rep. Phil Krinkie (R-Shoreview) stripped \$1 million from the statewide systems project dollars, which is supported by the governor. The only other major successful amendment came from Rep. Mike Osskopp (R-Lake City), who wanted

\$150,000 for broadcasting House sessions and committee meetings. The \$150,000 is included in the bill's \$3.2 million appropriation for public television and radio matching grants.

Projects that survived heavy debate include a \$250,000 monument on the Capitol grounds to honor women's suffrage and a requirement that metal shredders get a completed environmental impact statement before obtaining a permit.

The House bill includes \$3 million in additional state revenue, including \$2 million from stepped-up revenue audits. Another \$1 million is expected from the Department of Finance because of a court case the House won last year. The House took the governor to court when he tried to line-item veto \$1 million from the budget of the Department of Finance.

Major provisions in HF2857 include:

#### Remembering suffrage

The women's suffrage movement, which observed its 75th anniversary last summer, would be commemorated in a memorial garden on the grounds of the Minnesota State Capitol. The proposal to use \$250,000 in conjunction with \$50,000 in private dollars survived a spirited floor debate.

Rep. Carol Molnau (R-Chaska) tried unsuccessfully to strike the provision, originally sponsored by Rep. Phyllis Kahn (DFL-Mpls).

"To spend a quarter of a million dollars on a garden that volunteers could do is very frivolous," Molnau said.

Supporters such as Rep. Mindy Greiling (DFL-Roseville) said the monument would give women a much-needed presence at the Capitol.

The private money would be used for plaques, benches, and educational materials to be distributed in connection with the memorial garden.

Plans call for the garden to be constructed on a 100-foot-by-150-foot section of land located immediately south of Constitution Avenue near Cedar Street, close to the location of the 1996 Winter Carnival ice slide, according to Paul Mandell, a planner with the Capitol Area Architectural and Planning Board.

#### Kondirator

Under the bill, metal shredding companies would have to get an environmental impact statement before moving forward on a project in areas of north and northeast Minneapolis and west St. Paul. Currently, there is a project pending along the river in north Minneapolis to build a kondirator. The company has

completed an environmental impact worksheet. The provision would require an environmental impact statement, which is more extensive than a worksheet.

Rep. Jim Girard (R-Lynd) said the worksheet is sufficient, but his amendment to strike the provision failed.

#### Statewide information system

Under the bill, \$3.4 million will go toward continued funding of a statewide computer system that became operational just this year. Computer software and hardware needed for the state's operations, such as payroll, would be funded.

#### Year 2000 Project

One million would fund the governor's Year 2000 Project under the House bill. About 80 percent of the computer programs used by the state will require modifications when the year changes from 1999 to 2000. Many computer programs cannot perform arithmetic operations or sort data fields when working with years outside of 1900 to 1999.

#### Technology provision in budget

The bill requires the governor to submit a separate information technology expenditure as part of the biennial budget.

The new component of the budget would include detailed recommendations on the state's technology initiatives for the current and following biennium. It would also require the governor to prioritize each project.

#### Celebrating emancipation

June 19, the date officially celebrated in other areas of the nation as Juneteenth, would become a day of recognition in Minnesota, under the bill.

Juneteenth is observed as the day the Emancipation Proclamation was first publicly read in Texas in 1865. Although historians have never been able to determine the exact date that year when the proclamation abolishing slavery was read, they believe it was sometime between June 13 and 19.

(The same provision unanimously passed the House Feb. 7 as HF1889 sponsored by Rep. Richard Jefferson (DFL-Mpls)).

Jefferson has said that because the Civil War was going on when President Abraham Lincoln issued the Emancipation Proclamation, it took another two years and the end of the war before every state acknowledged it. "The plantation owners were fearful that if they made it known, the slaves would leave," he has said.

As a state day of recognition, Juneteenth would be similar to Arbor Day and Ethnic

American Day, which are not celebrated as official state holidays.

### Clearing the backlog

Under the bill, Minnesota's human rights commissioner would be required to come up with a plan by Jan. 15, 1997, to eliminate a case backlog in the Department of Human Rights.

The provisions were originally introduced as **HF3083**, sponsored by Rep. Matt Entenza (DFL-St. Paul).

Entenza has called the proposal a "simple and straightforward" recipe for trying to solve the Department of Human Rights case backlog, which was the subject of a January report by the Office of the Legislative Auditor.

"Our study found that the department has not handled charges of discrimination in a timely manner and that there is a growing inventory of open cases," Legislative Auditor James Nobles wrote. "We also found that the department lacks the expertise to properly use its own case-tracking system and needs to show more tangible progress in developing the new system funded recently by the Legislature."

The most important recommendation contained in the study is that Commissioner David Beaulieu and the department "take whatever steps are necessary" to eliminate the backlog.

**HF2587** includes a \$100,000 appropriation for the department to prepare plans for clearing the case backlog, making probable cause determinations quickly using a minimum amount of department resources, and processing future cases on a timely basis.

Another \$75,000 would be marked for the department to establish an alternative dispute resolution program to resolve disputes arising under the state's human rights act.

### Claims against the state

A bill to pay individuals who have claims against the state for overdue war veteran bonuses and injuries sustained while performing community service work passed the House Feb. 27. The vote was 129-3.

The bill (**HF3217**), totaling about \$93,000, appropriates \$4,000 to one individual who spent \$8,000 to build a useless stone wall to prevent erosion based on erroneous information from the Department of Natural Resources. The remaining \$4,000 will come from the department's existing budget.

The Claims Committee, a joint panel composed of House and Senate members, considers claims made against the state each year.



It was a photo opportunity for Lenny (holding grandson Shane) and Ruth Loeffler as their daughter, Diane Loeffler, received a *Marvelous Minnesota Woman Award* at the Capitol Feb. 26. The award is given each year to women who have made significant contributions to the quality of life in Minnesota.

The panel serves as a court of last resort for those who feel the state is responsible for a financial loss. A person can pay a \$5 filing fee and plead their case for reimbursement.

This year's bill, sponsored by Rep. Edgar Olson (DFL-Fosston), contains claims that range from \$7.50 to \$4,000.

Most of the claims contained in the bill apply to the Department of Veterans Affairs to compensate Minnesota veterans for state-authorized bonuses based on their length of military service during wartime. Each veteran must apply for the bonus. The bill would appropriate \$80,093 for the bonuses.

Among other money in the bill is \$7,120 for pre-paid claims against the Department of Corrections as well as for three people who were injured while performing court-ordered community work.

The claims bill awaits a Senate vote.

## HIGHER EDUCATION

### Reducing mandates

If there is a foot of fresh snow on the ground and travel is dangerous in Bemidji, the president of the local state university may want to close the campus for the day.

But he can't do it on his own. Current state law requires the ultimate decision be made by officials 220 miles south in St. Paul.

The House approved a bill Feb. 27 that would change all that.

**HF2206**, sponsored by Rep. Gene Pelowski (DFL-Winona), would do away with all sorts of state mandates on colleges and universities.

The bill, which passed on a 129-3 vote, aims to get rid of state mandates that neither bolster education nor improve accountability at the state-funded higher education institutions, according to Pelowski.

"I think it's about time we stop micro-managing and let them run their own shop," he said.

Pelowski, chair of the House Education Committee's Higher Education Mandates Subcommittee, said the bill grew out of a collaboration between lawmakers, system officials, college students, faculty, and administrators.

The result, he added, is a proposal that would allow higher education institutions to devote more of their energy educating and less time and resources wrestling with unnecessary state regulations.

Changes proposed in the bill would represent a philosophical shift in government's role in the delivery of higher education, according to Pelowski. The state still would set performance expectations for the systems and campuses, but the institutions would be given more decision-making authority to meet those expectations.

One simple example of the changes proposed in the bill would simplify procedures for closing campuses in weather emergencies.

Under the bill, officials at Minnesota State

Colleges and Universities (MnSCU) system campuses would no longer have to get approval from the Department of Employee Relations to close a campus because of bad weather.

Here's a look at some changes the bill would make:

- Purchasing by MnSCU institutions would be made more efficient and cost effective. Under current law, campuses have the authority to make purchases only up to \$1,500, and most purchases must be made through the state Department of Administration. But campus officials claim that many times they pay the state more than they would pay local merchants for the same products, whether it's toilet paper or computer disks. The bill would exempt the institutions from state purchasing requirements.
- Many reporting requirements would be dropped. Officials from the colleges and universities consider some of the reports currently required to be especially onerous. For example, campuses now must file a report any time refreshments are served at a meeting. The report must list the names of all in attendance and disclose what was served and its cost. The report then must be signed by appropriate campus officials and filed with the Department of Finance. The bill would exempt the MnSCU system and its campuses from this and many other reporting requirements.
- Proof of immunization mandates would be altered to spare colleges and universities a lot of paperwork. Current law requires that each student produce evidence of immunization in order to register for classes. The bill stipulates that beginning in 1997 the schools would not have to get immunization records from students who are graduates of Minnesota high schools. Determining if students are properly immunized would be done at the high school level.
- Common calendar requirements now on the books also would be changed by the bill. A 1995 law required all MnSCU campuses to begin the school year at the same time. The law sought to ease transfers between schools. But some college officials complained the change would complicate local arrangements, such as those between technical colleges and school districts. The bill would stipulate that co-located institutions (most often community and technical colleges) must be on the same calendar, but all institutions would otherwise be free to set a calendar in the best interests of the students.

Pelowski said the collaborative effort to

reduce mandates on higher education institutions demonstrates that reform "doesn't have to be a partisan affair."

HF2206 now goes to the Senate.

## Examining tenure

The state would spend \$4.4 million to revamp the Academic Health Center at the University of Minnesota, under a bill approved by the House. But the U of M would have to make certain tenure code changes in order to receive much of the money.

The bill (HF3239/SF2849\*) sponsored by Rep. Tony Kinkel (DFL-Park Rapids), would provide \$10 million in supplemental funding for the U of M and the Minnesota State College and Universities (MnSCU) system. The bill passed the House Feb. 28 on a 124-7 vote.

The measure would give about \$4.9 mil-

lion to the U of M, with \$4.4 million earmarked for the academic health center.

The bill aims to bolster the restructuring of the academic health center, which includes the schools of medicine, dentistry, public health nursing, and other pursuits. Funds for the center would be used to improve technology and update curriculum.

Ninety percent of the \$4.4 million—about \$3.9 million—would be contingent on the U of M making changes to the tenure code for the center.

The bill states that the Legislature "requests" the school pursue changes in the tenure code for the academic health center without infringing on academic freedom.

Specifically, U of M trustees would have to make changes in the tenure code for clinical faculty to enable adjustment of clinical compensation and base salary and provide streamlined procedures for separation.

The remaining 10 percent of the \$4.4 million for the academic health center money would be earmarked for the University of Minnesota-Duluth (UMD) medical school.

But the money would hinge on the continued development of the medical school as a rural health center, which aims to produce more medical professionals to serve small-town America.

Under the bill, UMD would have to expand the training of rural nurse practitioners, pharmacists, physician assistants, and general practitioners. The school also would have to develop electronic links to facilitate video conferences and the transmission of images and other information.

The provisions related to the U of M originally were included in a separate bill (HF3238) sponsored by Rep. Becky Kelso (DFL-Shakopee).

Kinkel's bill also includes \$4.8 million to bolster technology on MnSCU campuses. The money would be made available for grants for the use of technology to improve learning in the classroom.

Grants of up to \$250,000 would be awarded to state colleges and universities on a competitive basis. A review panel, including faculty, students, and a member of the Minnesota High Technology Council, would decide who gets the grants.

Both the governor and lawmakers have established technological upgrades at educational institutions — at all grade levels — as a high priority this year.

Additionally, the bill includes \$150,000 for the establishment of a statewide on-line library system. The proposal would fund a library planning task force whose goal would be to set up an on-line system to serve col-



Margie Michael of Cambridge set up her music stand on the second floor of the Capitol rotunda Feb. 27 and played her piano accordion as she waited for a rally in support of mental health awareness to begin.

leges, public libraries, and public schools.

Finally, the proposal would spend \$50,000 to repay college loans for graduates of Minnesota law schools who practice low-paying, public-interest law. The bill requires the private bar to match the state funds for loan payment.

**HF3239/SF2849\*** now goes to the Senate.

## College bonds

Minnesota parents would be able to buy tax-free bonds to help pay for a child's college education under a bill approved Feb. 29 by the House Ways and Means Committee.

**HF2058**, sponsored by Rep. Lyndon Carlson (DFL-Crystal), would require the Minnesota Department of Finance to establish a college savings bond program.

Under the bill, the state would offer bonds attractive to parents who are saving for higher education expenses. Many specifics of the bond programs would be set by the finance department, but considerably more affordable bonds would be made available.

Currently, general obligation bonds are sold at a minimum denomination of \$5,000, which is the amount the bond is worth upon maturity. The bill would require denominations as small as \$500 to be made available. As with their more costly counterparts, the smaller bonds would be tax exempt.

The bill would require the finance department and the Higher Education Advisory Council to develop a marketing plan to inform parents about the bonds. (See Feb. 23, 1996, *Session Weekly*, page 15)

It is unclear whether the bill will go to the House floor or be attached to this year's bonding bill.



## HUMAN SERVICES

### Omnibus human services bill

After hours of debate, House members Feb. 27 attached a 30-day residency requirement for certain welfare benefits to the Health and Human Services supplemental budget bill. The vote was 116-16.

Under the bill (**HF2818**), most individuals would have to reside in Minnesota for 30 days before they could receive Medical Assistance, General Assistance, or Aid to Families with Dependent Children (AFDC).

Opponents of the amendment said it would prove unconstitutional based on court rulings in recent years. Supporters said it would prove constitutional and maintain the provi-

sion as needed to protect Minnesota taxpayers from individuals in other states who simply move here for better welfare benefits.

Another successful amendment directs the departments of health, human services, and administration to develop a plan to provide prescription drugs at discounted prices to individuals whose income is 200 percent below the federal poverty level.

For a family of two, that means an annual income of \$20,060 and for a family of four, \$30,300. The departments are to submit the report to select legislative committees by Oct. 1, 1996.

Still another new provision cuts \$50 from the Department of Health's budget. Specifically, the money is to be taken from the department's support of the Minnesota AIDS Project because of what sponsor Rep. Arlon Lindner (R-Corcoran) termed "sexually explicit, graphic, and offensive advertisements."

Lindner called the amendment, which originally sought a reduction of \$500, a "token amendment to tweak the department."

In all, the Health and Human Services supplemental budget bill contains \$21 million and includes \$7.8 million to restore cuts made by the 1995 Legislature to programs for people with disabilities.

Hundreds of disabled Minnesotans who expected to be cut from a program that helps them live independently at home instead of in a state institution may be spared the budget ax.

Last year, at the urging of Gov. Arne Carlson, lawmakers cut a program that provides in-home personal care attendants (PCA) for the disabled. The cuts were scheduled to go into effect July 1, 1996.

The 1995 law tightened eligibility requirements and limited some services. One section required that those receiving the help of a personal care attendant be capable of directing their own care or be cared for by family members or placed in an institution.

Another section directly affected mentally ill adults by eliminating services their PCA could provide. Specifically, the 1995 law cut what are called "prompting" and "monitoring" services. That meant mentally ill adults could no longer rely on a PCA to remind them to take medication, prepare meals, or help them get to and from the psychologist or doctor.

**HF2818** restores PCA cuts by eliminating the requirement that recipients be able to direct their own care and by reinstating services such as prompting and monitoring.

Below are some of the highlights from the supplemental budget bill which is now on its way to the Senate.

## Welfare reductions

Welfare programs would see a \$33 million reduction. These are not cutbacks, but savings. Forecasts used to put together the 1996-1997 two-year budget for human services last year overestimated how many people would participate in public assistance programs.

Reliance on welfare has lessened because Minnesota's job market is in good shape, according to state officials. Also, officials credit MinnesotaCare for keeping more people off welfare. MinnesotaCare is a state subsidized health plan that allows certain low-income families and individuals to buy health insurance at reduced costs.

The reductions in welfare costs can be found in the state's Aid to Families with Dependent Children, General Assistance, and other public assistance programs.

## Criminal checks

The bill would spend \$54,000 to extend criminal background checks to all nursing home employees, including housekeeping staff and maintenance workers.

The provision expands current law which requires that state criminal histories be checked for employees in nursing homes, home care agencies, and boarding care homes who have direct contact with patients.

A 1995 law that increased penalties for people who neglect or abuse vulnerable adults required such background checks for some nursing home employees.

Since its passage, the Department of Human Services has initiated more than 8,100 background checks which uncovered 67 people who were disqualified from working in a nursing home.

## Adoption assistance

More parents wanting to adopt children with disabilities or other special needs could see some financial help from the state. The state would set aside another \$1.5 million to help families adopt those children.

## Senior nutrition

The bill marks \$500,000 to expand programs that offer meals and groceries to the elderly across the state. Committee members were told that good nutrition can help keep senior citizens out of nursing homes.

A portion of the money would go to the Minnesota Board on Aging to expand elderly food programs statewide. Another portion would be given to local agencies on aging to help pay for such elderly services as the home delivery of meals, groceries, and prescriptions; transportation to supermarkets and

congregate dining sites; vouchers for meals at selected restaurants in isolated rural areas; food stamp outreach; and nutrition screening and counseling.

Senior citizens quickly suffer from dehydration and become malnourished if they don't eat properly, proponents said, adding that minor illnesses can worsen and broken bones take longer to heal due to poor eating.

Home delivery of meals to "shut-ins" as well as congregate meals at senior centers and other sites, are invaluable, they said, noting that they not only keep many seniors healthy, but the latter is especially helpful in getting seniors out and socializing.

### Child care

Money to train child care workers as well as help more parents afford child care is included in the supplemental budget bill.

Specifically, \$500,000 would be set aside to help train child care workers who work in centers and homes that serve low-income children. Another \$1.5 million would be set aside to help expand the basic sliding fee child care program which subsidizes child care costs for low- and moderate-income families, thus removing a barrier to their returning to work.

### Lead poisoning

Money to help relocate families whose homes are affected by lead poisoning is also part of **HF2818**.

In all, \$150,000 would be appropriated to the Department of Health to help clean up lead. Part of the money would be used to help relocate families whose children or other members are experiencing lead poisoning stemming from sources such as nearby dirt, water, or paint chips. Affected residents would relocate while their old home undergoes a cleanup.

Another portion of the money would help fund a study of the legal responsibilities for landlords and tenants in the area lead poisoning and clean up.

### Nursing home reimbursement rates

Medical Assistance reimbursement rates paid by the state to nursing homes and intermediate care facilities for persons with mental retardation would increase by 75 cents per resident, per day.

The bill sets aside about \$7.3 million to accomplish this task and delay more severe reimbursement cuts slated for fiscal year 1997.

Currently, the statewide average reimbursement for nursing homes is \$95.56 per resident, per day. The statewide average for

facilities for persons who are mentally retarded is \$125.18 per resident, per day.

### Restaurant license fees

Despite strong objections from the Department of Health, the supplemental budget bill contains a provision cutting back certain restaurant inspection license fees.

The bill would cut to \$125 the license fee for restaurants with 10 or fewer employees. The current average is about \$222, according to the department.

The department has said the reduction would have a "potentially devastating effect on inspection activities at the state level."

"Since over 90 percent of all establishments have 10 or fewer employees — and since it would be legally impossible to substitute other revenue sources — the loss of revenue for the state inspection program would be an estimated \$434,736," according to a department position statement.

The bill also contains a proposal to cut license fees for temporary food stands — those at fairs and similar events — that operate seven days per year or less. Those establishments would pay \$60 for an inspection compared to the current fee of \$130.

Currently, county and city health departments inspect food, beverage, and lodging establishments in 42 counties. The state Department of Health inspects those establishments in the remaining 45 counties.

Department concerns center on the spread of food-borne illness. Without a solid inspection program, the threat of food-related disease is greater, according to health officials. The agency typically evaluates more than 200 food-borne illness complaints every year and the volume is increasing. In 1995, the figure topped 250.



## SPORTS

### Rejected referendum

The Minnesota Twins suffered a shutout Feb. 23 at the hands of the House General Legislation, Veterans Affairs and Elections Committee.

Committee members rejected a bill to test the mood of metropolitan-area voters on building a new baseball stadium. The bill (**HF2974**), sponsored by Rep. Ann Rest (DFL-New Hope), would have required a non-binding referendum in November 1996 on the stadium issue.

Rest, Twins officials, and other supporters of the bill said voters should be allowed to register an opinion on whether the Legislature should pass a law to build a new stadium with public and private money.

Proposed ballot language in the bill stipulated that taxes on liquor and hotel and motel lodging in the metro area, along with a surcharge on tickets for events at the stadium, would help finance the project.

The Twins are looking to construct a new stadium at an estimated cost of \$200 million to \$250 million to solve the club's financial troubles. The team lost totaled \$13.5 million last year and losses this year are expected to reach \$8 million, according to the team.

But the bill ran into opposition from several committee members with a variety of interests. Some decried the proposed tax hike on liquor and lodging. Some argued for a statewide vote. And some called for more details about the stadium and how much of the cost will be paid by the Twins.

Rep. Loren Jennings (DFL-Harris), who chairs the committee, questioned the need for a public vote on the issue. The job of legislators is to consider the opinion of their constituents on the issues, he said.

Rep. Tom Osthoff (DFL-St. Paul) attached an amendment to the bill removing the proposed liquor and lodging tax as a way to help pay for the stadium.

Still, Osthoff said he wished legislators were debating whether to build a new stadium rather than whether to proceed with a ballot referendum that some say would be meaningless regardless of the result.

The bill failed on a convincing voice vote.

Twins President Jerry Bell testified that the Metrodome does not provide the team with enough revenue from advertising, parking, and concessions. And, he said, the stadium has fewer good seats than most other major league parks.

A clause in the Twins' lease would allow the team to leave after the 1998 baseball season.

New stadiums have helped other small-market teams, such as Cleveland and Baltimore, improve their financial health. Bell said the Twins could reap similar rewards.

"The only reason we're here today is to sustain the team," Bell said. "Clearly, no one is going to purchase this team and continue to suffer these kinds of losses."

A closer look . . .

# Omnibus bill provides funding for crime programs



A \$15.4 million proposal for public safety, corrections, and crime prevention programs won approval Feb. 28 from the House Ways and Means Committee.

HF3242, sponsored by Rep. Mary Murphy (DFL-Hermantown), now also includes HF2161 (the omnibus crime bill), sponsored by Rep. Wes Skoglund (DFL-Mpls), which was incorporated into the bill. (See Feb. 22, 1996, *Session Weekly*, page 3)

Murphy noted that most of the appropriations in the bill are "one time" measures, which would not hold the state to future funding commitments.

The bill also includes provisions to notify neighbors when serious sex offenders are released into the community, and prohibiting kids under age 16 from getting tattoos.

The bill now goes to the House floor.

Below are some of the bill's highlights:

## Community notification

A major part of the bill, co-sponsored by Rep. Dave Bishop (R-Rochester) and Rep. Wes Skoglund (DFL-Mpls), would authorize local law enforcement agencies to notify the public when a sex offender is released from prison. The concept of community notification has been debated publicly since 1994 when Minnesota Supreme Court rulings released two men who had been committed under the state's sexual psychopathic personality law. Lawmakers met in special session that year to pass legislation to keep sexual psychopaths off the street.

The level of notification would depend on a risk assessment of the offender. Offenders would be classified as either low, intermediate, or high risk to the community.

If the offender is considered low-risk, police may notify other law enforcement agencies and any victims of, or witnesses to, the offender's crime. For intermediate-risk offenders, schools, day care centers, and other groups that serve women and children which the offender is "likely to encounter" could be notified. Anyone a high-risk offender is "likely to encounter" could be notified. Widespread notification, however, would not occur while an offender is living in a residential treatment home.

The provision also amends the sex offender registration law to include persons whom the courts have convicted of a "kiddy porn" offense or other offenses stemming from the same set of circumstances.

If passed, Minnesota would follow some

20 other states with similar laws. Similar language is contained in the crime bill which passed the Senate on Feb. 28.

The legislation would provide \$245,000 to ensure the program's implementation.

## Prevention and safety

Community safety and law enforcement grants are a key feature of the bill and would receive \$2.65 million in funding. The grant process set forth in the bill ensures statewide distribution of funding, said Murphy. Under the bill, a committee would review grant applications to determine which ones receive funding. The committee would consist of both state and police officials.

## COPS

The grant package would establish community-oriented policing programs, known as "COPS," which increase the amount of officers in local law enforcement agencies, allowing them to assign officers with community experience to investigate and prevent juvenile crime. COPS also would expand community policing duties, such as block clubs and community-based crime watch programs. In the seven-county metropolitan area, COPS would assign overtime officers to high crime areas within their jurisdictions.

## Weed and Seed

Weed and Seed, another grant program in the bill, would assist local communities in eradicating violent crime, illegal drug activity, and illegal gang activity in targeted neighborhoods. The Weed and Seed program also would aim to revitalize neighborhoods, both economically and physically. Local law enforcement agencies would work with members of targeted neighborhoods to develop plans and apply for funding.

## Community intervention

The bill provides over \$2 million in financing for community intervention grants that aim to encourage, expand, or enhance com-

munity alternatives for at-risk children and youth.

Grant applicants, expected to have broad community representation, could include school districts, counties, public health entities, other municipalities, existing culturally specific community organizations, family services collaboratives, and others.

Communities that apply for grants must also give priority to the following areas: juvenile restitution, prearrest or pretrial diversion, probation innovation, teen courts, community service, truancy prevention, curfew enforcement, or post-incarceration alternatives to assist youth in returning to their communities.

The Children's Cabinet, which is composed of several state agency commissioners, would approve local plans and ensure that funded programs do not conflict with any state law and do not negatively impact future state budgets.

## Victims of violence

In accordance with the state's policy of "zero tolerance" for violence, the bill outlines state goals that would give crime victims access to the following services: crisis intervention services, including a 24-hour emergency telephone line; safe housing; counseling and peer support services; assistance in pursuing legal remedies, and appropriate medical care.

The goals also include giving children who are witnesses to abuse and/or victims of violence access to crisis child care; safe supervised child visitation, when needed; age-appropriate counseling and support; and assistance with legal remedies, medical care, and needed social services.

In an effort to increase efficiency in the administration of victim services, the bill requires several offices that deal with crime victims to meet four times a year. The so-called "crime victims services roundtable" will discuss methods for improving the delivery of services, in addition to securing increased funding.

The witness and victim protection fund would receive \$100,000 in grant money from the bill.

## Juvenile monitoring

The bill would allot \$240,000 for an intensive juvenile monitoring pilot program that focuses on juveniles who have committed or

are at risk to commit crimes. Peace officers, juvenile courts, and juvenile probation officers would refer certain juveniles to the program. Qualified college and graduate students with related majors would monitor and supervise the juveniles.

College students would work with a juvenile's probation officer and serve as a "big brother" or a "big sister" to a teen who has committed, or is at risk for committing, delinquent acts or crimes.

The Department of Corrections would determine the particulars of the monitoring program. In addition, the department would work with colleges and universities to establish the criteria for college students to participate in the program, what kind of training they should receive, and how they should be compensated.

Their responsibilities could include checking on the juvenile in the morning, reminding them about homework, checking on them after school to ensure they're not hanging out with the wrong crowd, and helping them with homework several times a week.

The college student would then report back to the probation officer so the officer could determine which juveniles need more help.

### **Truancy, curfew**

A total of \$400,000 would be available to eligible counties for the creation and expansion of programs for curfew enforcement,

### **Home visits**

As part of the state's on-going effort to prevent child abuse and neglect, the bill appropriates \$200,000 to the Department of Health for grants to home visiting projects. The funding would increase efforts of public health nurses who visit homes with at-risk babies, giving advice on nutrition and other parenting issues.

### **Media campaign**

Violence in the media also received a response from the committee. The legislation would appropriate \$10,000 to the commissioner of public safety to contract with an advertising firm to develop an advertising campaign to reduce violence and to counteract violence in the media.

### **Group conferencing**

A pilot program for family group conferencing programs in Dakota County would receive \$150,000 under the bill. The program would provide forums as an alternative to prosecution. In the forums, persons accused of crimes would meet with victims, family members of victims or the offender, law enforcement agencies, prosecutors, and community members. The forums would focus on the impact that crimes have on victims and the community. Members of the conference would then determine an appropriate sanction for offender reparations, including community service and other options.

The CCA, adopted in 1973, aims to help counties develop, implement, and operate community-based corrections programs, including prevention, diversion, and probation programs. Funding for the CCA, however, has not kept pace with the increase in needs, according to reports.

Current funding formulas under the CCA reflect little correlation between dollars and need.

After an extended debate, the committee approved a plan that incorporates the interim group's five principles. Those include giving consideration to a counties' need and encouraging multi-county collaboration.

### **Incarceration**

The most expensive aspect of fighting crime, locking up offenders, is the largest part of the proposal. The bill would appropriate almost \$7 million to the Department of Corrections for purposes related to incarceration. Members noted that increases in the length of sentences, coupled with increases in the number of inmates over the years, are driving up costs.

The department's budget includes \$860,000 for more prison beds that are needed as a result of tougher sentencing in the bill, and \$500,000 for additional contributions associated with changes in the membership of the correctional employees retirement plan.

The bill also would require inmates to make a co-payment for health care services that they receive in prison. Under the proposed law, the co-payments would be deducted from inmates' earnings accounts. Supporters of the measure said they included it in the bill to help curb the rise in prison health care costs caused from over-utilization of services.

### **Miscellaneous**

Other appropriations in the bill include: \$700,000 for civil legal services to the poor; \$400,000 to the Department of Economic Security for youth intervention grants; \$75,000 for the development of a weighted workload study; \$40,000 for enhancements to the domestic abuse orders for a protection tracking system; and \$4,000 for the international women's shelter in Rochester to research, prepare, and translate into appropriate languages a brochure on laws concerning violence against women and children.

**HF3242** now goes to the House floor.

— Joel Larson

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*The most expensive aspect of fighting crime, locking up offenders, is the largest part of the proposal. The bill would appropriate almost \$7 million to the Department of Corrections for purposes related to incarceration.*

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truancy prevention, pretrial diversion, and for juveniles who are risk of incarceration.

### **Crisis nurseries**

The bill would appropriate \$350,000 to the Department of Human Services to assist eligible private and public organizations that provide crisis nurseries.

Children's advocates have said that the increase in violent crime is directly related to an increase in child abuse and neglect. Crisis nurseries offer temporary, safe nurturing care for children and support services for parents in times of crisis. The nurseries may also offer family counseling, in-home crisis intervention, parenting support, information and referral services, and service coordination.

### **Tattoos**

The committee added a provision to the bill that would prohibit any person under the age of 16 from getting a tattoo.

The measure would also require 16- and 17 year-olds to provide written parental consent before getting a tattoo. Under the bill, anyone who provides a tattoo to a minor in violation of the provision would be guilty of a misdemeanor.

### **CCA**

An interim working group of legislators, county officials, statisticians, and criminal justice experts met to create a "fair and equitable" formula for distributing Community Corrections Act (CCA) funding to counties.

## Alexander Ramsey guides area on path to statehood

In the spring of 1849, a young Pennsylvania politician jotted this brief diary entry: "April 2 — Moved to Market Street house. Laborers, \$1. Wife, 25 cents. Appointed Governor of Minnesota."

Those words became Alexander Ramsey's first written acknowledgment that he had been selected to be the first governor of the Minnesota Territory, a vast and sparsely settled northwestern region.

The appointment, bestowed upon Ramsey by President Zachary Taylor, was the beginning of the formation of today's Minnesota and of Ramsey's half-century of political prominence in the far-away place.

Just 33 years old, Ramsey was a Whig partisan who had already served in the Pennsylvania Legislature and in the U.S. House of Representatives.

During the 1848 presidential campaign, Ramsey worked tirelessly for Taylor and was credited with ensuring a Taylor victory in Pennsylvania.

The newly elected president repaid Ramsey by awarding him the governorship of the fledgling Minnesota Territory, created just months earlier in the waning days of President James Polk's administration.

Ramsey, who was said to have desired a more substantial post in the Taylor administration, accepted the appointment and shortly thereafter set out with his wife and child on a journey from Washington D.C. to St. Paul.

The Ramseys traveled by boat, train, and coach during their three-week trip to the rough town that would become the capital city.

The family's arrival in Minnesota was noted in Ramsey's diary with his typical restraint and fiscal awareness.

"May 26 — Reached Stillwater about 9 p.m. Expense of wife, self, Lavinia (a family nurse) and child to St. Paul, including meals, fare by boat, railroad, stagecoach, etc., \$262.35, or about \$87.41 per head," he wrote, according to diary excerpts reprinted in a 1929 edition of the *St. Paul Pioneer Press*.

When he arrived in St. Paul the following day, Ramsey found nothing more than "a dozen framed houses, not all completed, and some eight or ten small log buildings constituting the capital of the new territory, over whose destiny I had been commissioned to preside."

Although he would confess some 50 years later that "at first I disliked to make the change," Ramsey immediately set about the task of creating a government and directing the territory on the path toward statehood.



Alexander Ramsey, first governor of the Minnesota Territory.

Photo courtesy Minnesota Historical Society

He served three-and-one-half years as territorial governor before being replaced by an appointee of a new White House administration. Upon leaving office, Ramsey noted the progress during his time in power.

"In 41 months have condensed a whole century of achievements, calculated by the old world's calender of progress . . ." he said in a January 1853 speech, ". . . a government proclaimed in the wilderness, a judiciary organized, a Legislature constituted, a comprehensive code of laws digested and adopted, our population quintupled, cities and towns springing up on every hand. . ."

Ramsey would go on to build an impressive résumé of various endeavors — some courageous, some dubious.

A Republican after the collapse of the Whigs, Ramsey was narrowly defeated by Henry Sibley, his personal friend and political rival, in an 1857 election to decide who would be the first governor of Minnesota after statehood.

But Ramsey would recover and score an impressive victory in the 1859 gubernatorial race. The win thrust Ramsey into party prominence, resulting in his name being mentioned for a presidential bid before the party selected an Illinois lawyer named Abraham Lincoln as its nominee.

Ramsey served as governor until the Legislature elected him to the U.S. Senate in 1863. After spending two terms in the Senate and four years out of politics, he was, in 1879,

picked to be secretary of war in the cabinet of President Rutherford B. Hayes. Ramsey oversaw a peacetime army during his two years in the job.

A long political career left plenty to feed the appetite of Ramsey's detractors. He was a major player in the effort to push the American Indian population out of Minnesota, and he called for the death penalty for 303 Sioux captured during the uprising of 1862.

(President Lincoln allowed 38 of the Sioux to be hanged in a mass execution staged the day after Christmas, 1862 in Mankato.)

Ramsey also served with quiet compliance during a time of widespread corruption in the U.S. Senate.

But Ramsey's contributions cannot be easily dismissed. He guided Minnesota toward statehood and left it as a place where agriculture and industry could thrive.

In strong defense of the Union, Ramsey was the first to answer Lincoln's call for troops, offering 1,000 Minnesota soldiers shortly after the outbreak of the Civil War.

And, as secretary of war, Ramsey put principle above political convenience. In 1880, the only black cadet at West Point was bound and beaten, demonstrating the rampant racism at the institution.

Ramsey ordered an investigation into the incident and later delivered a strong reprimand in a speech to the graduating class of 1880.

It is "ignoble to to be governed by an imagined superiority," he said, according to the 1977 biography *Alexander Ramsey and the Politics of Survival* by Marx Swanholm. And it is "thrice ignoble to make active exhibition of so unworthy a sentiment by oppressing those we deem beneath us. A true manhood dictates the extending of a helping hand."

In the late 1880s, the weathered politician returned to Minnesota to enjoy his role as a respected elder statesman and to live out his days in the St. Paul mansion he built.

In his twilight, Ramsey laid the cornerstone of the current Capitol in 1901, but he would never see the building occupied. He died in 1903 at the age of 88.

His mansion, located in the historic Irvine Park neighborhood, was willed to the Minnesota Historical Society by Ramsey's granddaughter in the 1960s. The Ramsey House, complete with many original furnishings, is now open for public tours.

— Nick Healy

# Bills Sent to the Governor

## Bills await the governor's signature . . . or veto

Once a bill has passed both the House and Senate in identical form, it's ready to be sent to the governor for consideration. The governor, who has several options when considering a bill, can: sign the bill and it will become law; veto the bill; line-item veto individual items within an appropriations bill; or do nothing, which can have two different effects. The timing of these actions is as important as the actions themselves.

In the second year of the biennium (even-numbered years), a bill passed by the Legislature and presented to the governor before the final three days of the session will become law unless the governor vetoes it by returning it to the Legislature within three days. The gover-

nor normally signs the bills and files them with the secretary of state, but his signature is not required.

But if a bill is passed during the last three days of session, the governor has a longer time to act on it. He/she must sign and deposit it with the secretary of state within 14 days after the Legislature adjourns "sine die" (Latin for "adjournment without day"). If the governor does not sign a bill within this time frame, it will not become law, an action known as a "pocket veto." The governor is not required to provide a reason for the veto.

Only on appropriations bills can the governor exercise the line-item veto authority. This option allows the governor to eliminate the

appropriation items to which he/she objects. As with all vetoes (save pocket vetoes) the governor must include a statement listing the reasons for the veto with the returned bill. Here, too, the timetable is either 14 days after adjournment for bills passed during the final three days of the session, or within three days after the governor receives the bill at any other time.

A two-thirds vote of the members in each house is needed to override a veto. But because only the governor can call a special session of the Legislature, anything vetoed after the Legislature adjourns is history — at least until the next year.

The governor's veto authority is outlined in the Minnesota constitution (Article IV, Section 23).

Chapter	HF	SF	Description	Signed	Vetoed
266	2281	1846*	Relating to energy; extending due date for a task force report relating to electric energy policy.	2/7	
267	2079*	1912	Relating to the city of New Market; permitting the city to incur debt not subject to the general debt limit.	2/15	
268	2308*	1962	Relating to state government; providing a condition on participation in the state employee combined charitable campaign.	2/15	
269	2110	1862*	Relating to state government; authorizing use of unmarked vehicles by the Division of Disease Prevention and Control of the Department of Health.	2/15	
270	2150*	1823	Relating to liquor; authorizing the city of Stillwater to issue one additional on-sale license.	2/15	
271	2239*	1843	Relating to local government; allowing the city of Morristown to maintain and pay for certain electrical power outside the city.	2/15	
272	2410	1946*	Relating to highways; designating POW/MIA Memorial Highway, Veteran's Memorial Highway, and John Riley Memorial Drive	2/15	
273	1926*	1719	Relating to occupations; regulating the practice of dental hygiene.	2/21	
274	2634*	2324	Relating to local government; providing for one additional chief deputy sheriff in the unclassified service in Hennepin County.	2/21	
275	2114*	2320	Relating to drivers' licenses; changing codes for two types of driver's license.	2/21	
276	2652*	2223	Relating to local government; granting the city of Minneapolis authority to negotiate certain trade and craft contracts for stagehands.	2/21	
277	2122	1798*	Relating to statutes; limiting the scope of an instruction to the revisor.	2/21	
278	2344	1815*	Relating to insurance; regulating the underwriting of life and health coverages for victims of domestic abuse.	2/21	
279	2092	1909*	Relating to highways; designating a portion of marked Trunk Highway 52 in Fillmore County as the "Amish Buggy Byway."	2/23	

Chapter	HF	SF	Description	Signed	Vetoed
280	2374	1984*	Relating to natural resources; modifying and adding to the list of canoe and boating routes.	2/23	
281	2836	2514*	Relating to civil commitment; clarifying the financial responsibility for hearings on the use of neuroleptic medications.	2/23	
282	2355*	1964	Relating to local government; authorizing a city, county, or town to require certain information in applying for or as a condition of granting approval of permits.	2/27	
283	2758	2698*	Relating to agencies; providing for the right to extend a deadline with certain conditions.	2/27	
284	2077	2019*	Relating to education; clarifying approved costs for a magnet school facility.	2/27	
285	1749	1622*	Relating to insurance; homeowner's; regulating proof of loss.	2/27	
286	2039	1812*	Relating to housing; securing vacant buildings.	2/27	
287	2439	2121*	Relating to highways; recognizing Czech heritage in a highway name.	2/27	
288	2316	1936*	Relating to the state lottery; providing that the director may permit a lottery retailer to sell tickets at more than one location.	2/28	
289	2188*	2147	Relating to motor carriers; modifying and reorganizing provisions relating to allowable truck lengths and combinations.	2/28	
290	2454	2111*	Relating to agriculture; changing requirements for certain commodity council referenda.	2/28	

In the past few sessions, lawmakers have wrestled with the increasing problem of juvenile crime, toughening sanctions, and adopting new juvenile court procedures in an effort to reverse the trend.

While experts offer many contributing factors to the increase in juvenile crime, automobiles have yet to make the list.

Such was not the case in 1957.

"Much of the trouble we have is due to those pesky automobiles," District Court Judge E. R. Selnes of Glenwood, Minn., told a state commission. "When the children get a job, they must have a car, and then they do not have enough money to keep the thing running, so they steal gas

## *It's a fact!*

or money to keep it going," he continued. "Also, they can get so far from home and both youngsters and adults do things away that they would never do at home."

In addition, according to *Anti-Social Behavior and Its Control in Minnesota*, published by the state Commission on Juvenile Delinquency, Adult Crime, and Corrections, "cars encourage gang activity."

Long considered an urban problem, the automobile allowed groups of ruffians to seek each other out over long distances in rural Minnesota as well. The commission was told of a carload of boys from Crookston, Minn., ready to clash

with two carloads from Thief River Falls, Minn. While police diffused the conflict, "the story underlines the automobile's possible contribution to delinquency," the report concluded.

While the commission was unable to find concrete solutions to the growing delinquency problem, its members realized that simply locking kids up was not the solution.

"The problem requires intelligent action by every neighborhood, every community, and the state. The clue to intelligent action is understanding. To attempt to prevent or correct anti-social behavior without some understanding of what causes it is to fly blind."



# Bill Introductions

HF3240-HF3262

## Friday, Feb. 23

**HF3240—McCollum (DFL)**  
**General Legislation, Veterans Affairs, & Elections**  
Veterans employment preference provisions modified.

**HF3241—Johnson, V. (R)**  
**Environment & Natural Resources**  
Oil or hazardous material transport vessels on the Mississippi River required to have double hull or tugboat escorts, and penalties provided.

**HF3242—Murphy (DFL)**  
**Ways & Means**  
Judiciary finance appropriations bill.

## Monday, Feb. 26

**HF3243—Rice (DFL)**  
**Ways & Means**  
Omnibus economic development appropriation bill.

**HF3244—Mariani (DFL)**  
**Education**  
Compensatory education revenue program provisions modified.

**HF3245—Mariani (DFL)**  
**Transportation & Transit**  
Metropolitan Council transit regulation and coordination study and report required.

**HF3246—Johnson, V. (R)**  
**Health & Human Services**  
Constitutional standard established relating to abortion, and constitutional amendment proposed.

**HF3247—Rest (DFL)**  
**Taxes**  
Heritage and historic subdistrict creation authorized within tax increment financing districts.

**HF3248—Tomassoni (DFL)**  
**Education**  
Voluntary integration technique direction provided to the State Board of Education.

## Tuesday, Feb. 27

**HF3249—Rest (DFL)**  
**Ways & Means**  
Omnibus tax bill, and money appropriated.

**HF3250—McGuire (DFL)**  
**Taxes**  
Property tax and local government aid system study provided.

**HF3251—Wenzel (DFL)**  
**Health & Human Services**  
Abortion informed consent required.

**HF3252—Greenfield (DFL)**  
**Health & Human Services**  
Unitary Residence Act coverage expanded for community-based services.

## Wednesday, Feb. 28

**HF3253—Bettermann (R)**  
**Labor-Management Relations**  
Dislocated worker program study provided, and workforce investment fund special assessment eliminated.

**HF3254—Paulsen (R)**  
**Governmental Operations**  
Legislator daily meal allowance amount fixed.

**HF3255—Wenzel (DFL)**  
**Local Government & Metropolitan Affairs**  
Airport construction restricted, noise mitigation plan inclusion and soundproofing provided, transitway construction required, met center purchase authorized, and money appropriated.

**HF3256—Tompkins (R)**  
**Local Government & Metropolitan Affairs**  
Airport construction restricted, noise mitigation plan inclusion and soundproofing provided, transitway construction required, met center purchase authorized, and money appropriated.

**HF3257—Perlt (DFL)**  
**Local Government & Metropolitan Affairs**  
Airport construction restricted, noise mitigation plan inclusion and sound-

proofing provided, transitway construction required, met center purchase authorized, and money appropriated.

**HF3258—Larsen (R)**  
**Taxes**  
Working students' educational savings program established.

**HF3259—Johnson, V. (R)**  
**Local Government & Metropolitan Affairs**  
Airport construction restricted, noise mitigation plan inclusion and soundproofing provided, transitway construction required, met center purchase authorized, and money appropriated.

## Thursday, February 29

**HF3260—Skoglund (DFL)**  
**Judiciary**  
Child delinquency hearing data classification provisions modified.

**HF3261—Skoglund (DFL)**  
**Judiciary**  
Crime victims provided certain arrest data.

**HF3262—Skoglund (DFL)**  
**Judiciary**  
Forcible or violent criminal sexual conduct offenses provided minimum mandatory prison sentences.

## Constitutional Officers

**Governor**  
**ARNE CARLSON (R)**  
Room 130  
State Capitol  
St. Paul 55155  
(612) 296-3391  
1-800-657-3717

**Lieutenant Governor**  
**JOANNE BENSON (R)**  
Room 130  
State Capitol  
St. Paul 55155  
(612) 296-3391

**Secretary of State**  
**JOAN ANDERSON GROWE (DFL)**  
Room 180  
State Office Building  
St. Paul 55155  
(612) 296-2803  
Election Division: 215-1440  
Open Appointments: 297-5845  
Business Information: 296-2803  
UCC: 297-9102

**State Auditor**  
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525 Park St.  
Suite 400  
St. Paul 55103  
(612) 296-2551

**State Treasurer**  
**MICHAEL A. McGRATH (DFL)**  
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St. Paul 55155  
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**Attorney General**  
**HUBERT H. HUMPHREY III (DFL)**  
Room 102  
State Capitol  
St. Paul 55155  
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Consumer Division: 296-3353  
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## MONDAY, March 4

1 p.m.

**Subcommittee on Topic Selection/  
Legislative Audit Commission**  
500S State Office Building  
Chr. Rep. Ann H. Rest  
**Agenda:** Working session.

## TUESDAY, March 5

No meetings or session scheduled.

## WEDNESDAY, March 6

10 a.m.

**WAYS & MEANS**  
10 State Office Building  
Chr. Rep. Loren Solberg  
**Agenda:** To be announced.

1 p.m.

The House meets in Session.

After Session

**CAPITAL INVESTMENT**  
Basement Hearing Room  
State Office Building  
Chr. Rep. Henry Kalis  
**Agenda:** Bonding Bill.

6 p.m.

**Conference Committee  
ENVIRONMENT &  
NATURAL RESOURCES**  
118 State Capitol  
Chrs. Rep. Willard Munger,  
Sen. LeRoy Stumpf  
**Agenda:** HF787 (Munger) Wetland Conservation Act revisions.

## THURSDAY, March 7

8 a.m.

**WAYS & MEANS**  
10 State Office Building  
Chr. Rep. Loren Solberg  
**Agenda:** To be announced.

10 a.m.

The House meets in Session.

After Session

**CAPITAL INVESTMENT**  
Basement Hearing Room  
State Office Building  
Chr. Rep. Henry Kalis  
**Agenda:** Bonding Bill.

5 p.m.

**Electric Energy Task Force**  
107 State Capitol  
Chrs. Rep. Willard Munger,  
Sen. Steven Novak  
**Agenda:** Review of proposals.

## FRIDAY, March 8

8 a.m.

**WAYS & MEANS**  
10 State Office Building  
Chr. Rep. Loren Solberg  
**Agenda:** To be announced.

10 a.m.

The House meets in Session.

After Session

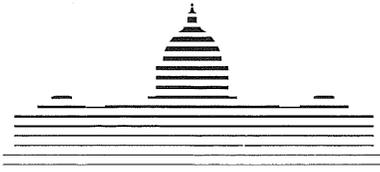
**CAPITAL INVESTMENT**  
Basement Hearing Room  
State Office Building  
Chr. Rep. Henry Kalis  
**Agenda:** Bonding Bill.

## Frequently called numbers

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Senate Chamber ..... 296-7159  
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B-4 Capitol ..... 296-6741  
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Speaker of the House: Irv Anderson  
Majority Leader: Phil Carruthers  
Minority Leader: Steven A. Sviggum

## MINNESOTA INDEX

### Minnesota motor vehicle crash facts 1994

Minnesotans with a driver's license .....	3,340,575
Registered vehicles .....	3,665,392
Miles traveled by vehicles on Minnesota public roadways, in billions .....	43.4
Number of crashes .....	99,701
Crashes occurring on a Minnesota interstate .....	1 in 10
People injured in those crashes .....	46,403
Ratio of crashes that were "hit-and-run" .....	1 in 16
Hit-and-run crashes involving a fatality .....	8
Minnesota motor vehicle fatalities .....	644
in 1993 .....	538
Fatal crashes in which the driver was a man .....	3 in 4
Fatal crashes occurring on dry roads .....	3 in 4
Bicyclists who died in collisions with a vehicle .....	16
Pedestrians .....	53
Number of Minnesota's 87 counties without a fatal crash .....	8
Crashes resulting from a collision with a deer .....	5,887
Decline compared to previous year .....	- 635
Nationwide, number of deaths caused by motor vehicles .....	40,200
in 1966 .....	53,041
Percent of fatalities that were alcohol-related, 1994 .....	35
in 1989 .....	45
DWI arrests in 1994 .....	32,391
Change since 1993 .....	- 127
Alcohol-related driver's license revocations, 1994 .....	32,742
Percent of those revoked for refusing to take an alcohol test .....	16
Motorcycle crashes, 1994 .....	1,381
in 1980 .....	3,308
Motorcyclists killed, 1994 .....	43
Motorcycles registered in Minnesota .....	113,337
Consecutive years that registrations have declined .....	14

Sources: *Minnesota Motor Vehicle Crash Facts, 1994*, Office of Traffic Safety, Minnesota Department of Public Safety.

### For more information

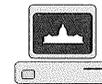


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