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In this issue:

FEDERAL TAX CHANGE IMPACT

ENVIRONMENTAL FUNDING PLAN STALLS, AND MORE

HF3721-HF3726

Session Weekly

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On the cover: Viewed from the fifth floor of the State Office Building, the State Capitol building magnificently stands beneath the cool spring rain that showered the campus grounds on May 7.

—Photo by Becky Ekstam

Constitutional clash

Plan to dedicate portion of the state sales tax to environmental purposes met with resistance

By SARAH MCKENZIE

A bill that would tap a portion of the state's sales tax revenue stream for environment and natural resources programs appears to have lost its momentum in the House.

The measure (HF1671) calling for a constitutional amendment to dedicate funding for conservation programs, zoos, parks, and trails had been gaining traction in recent days.

It would require the Legislature to tap three-sixteenths of 1 percent of taxable sales for the programs beginning July 1, 2005. The fund — estimated to generate more than \$120 million annually — would expire June 30, 2026.

At a House State Government Finance Committee hearing on May 8, the bill's sponsor, Rep. Mark Holsten (R-Stillwater) requested that consideration of the bill be delayed.

The request came in response to an amendment offered by Rep. Phyllis Kahn (DFL-Mpls) that would have called for a similar dedicated fund for public education.

Kahn said voters should have the opportunity to increase spending on another state priority that she argues has not received enough funding.

Before she offered the amendment, however, Kahn said she objected to establishing dedicated funds, arguing the amendment would set a bad precedent for the budget process.

Holsten urged Kahn to introduce her own bill and strongly objected to the amendment.

"This is a hijacking of my bill," Holsten said.

The committee adjourned May 8 without taking action on the bill — leaving the measure's fate uncertain as the session's May 20 constitutional deadline approaches.

However, there are ways the bill could still reach the floor: Holsten could request that the measure be revisited in the House State Government Finance Committee or that it be pulled from the committee and moved to another panel. He could also introduce the measure again as a different bill and request that the speaker refer it to a different committee. Ultimately, the bill would require the approval



PHOTO BY ANDREW VON BANK

Kelby Thone, 9, of Shakopee testifies before the House Governmental Operations and Veterans Affairs Policy Committee May 7 in support of a bill that would dedicate a percentage of the state sales tax to environment and natural resources programs.

of the House Rules and Legislative Administration Committee because it did not meet proscribed deadlines.

The bill had been scheduled to have a hearing before the House Taxes Committee on May 9, indicating leaders may have expected it to continue rapidly through the committee process.

New life was breathed into the measure earlier this month. The measure has floated around the Legislature for four years, making stops in the House Environment and Natural Resources Policy and Finance committees.

Holsten and Sen. Bob Lessard (Ind.-Int'l Falls), sponsor of the Senate companion measure, announced May 2 that they would push for the bill's passage this session after a number of gu-

bernatorial candidates signed on to the idea.

The lawmakers held a news conference to announce plans to push for the bill's passage.

"We have the opportunity to pass this legislation yet this year and to have it presented to voters on the ballot this fall," Holsten said. "This constitutional amendment helps ensure that today's traditions are pursued and enjoyed by future generations."

The measure cleared the House Governmental Operations and Veterans Affairs Policy Committee on May 7.

Supporters of the measure — including environmentalists and hunters — argue that the state needs a stable, dedicated fund to ensure that environment and natural resources programs don't suffer in lean budget times.

"The major focus of this bill is to infuse funds into our environment — to enhance it, to protect it, and to improve it," Holsten said at the hearing.

John Curry, legislative director for the Minnesota Center for Environmental Advocacy, said the state's outdoor industry generates \$3 billion annually — a significant source of tax dollars for Minnesota.

But as a beneficiary of state funding, environmental initiatives often trail behind other state priorities, he said.

"When the final dime is being allocated, the environment loses out to the acute human interests," Curry said, pointing to spending on public safety, health care, and human services.

Meanwhile, critics of the measure raised concerns that the bill would draw down the state's general fund.

And some speculated that state agency budgets could suffer if the Legislature determines that the dedicated fund is sufficient to pay for environmental and natural resources programs.

However, the bill specifies that the dedicated fund is intended to supplement state spending.

"The money dedicated under this section shall be appropriated by law and shall not be used as a substitute for traditional funding sources for the purposes specified," the bill reads.

Before the policy committee voted to move the bill to the House State Government Finance Committee, members adopted an amendment that struck a section of the bill calling for the establishment of an oversight council to distribute the funds.

Rep. Philip Krinkie (R-Shoreview), who offered the amendment, said it would be more appropriate to determine how the funds

should be administered after voters ratify the amendment.

Although the committee had been principally charged with reviewing that section of the bill, the hearing continued to allow for public testimony and consideration of other amendments.

One testifier lightened the mood of the hearing.

Outdoors enthusiast Kelby Thone, 9, of Shakopee attended the meeting with her dad. She urged committee members to approve the bill.

"All my friends enjoy the outdoors," she said.

Committee Chair Rep. Jim Rhodes (R-St. Louis Park) later allowed the young testifier to take his gavel and adjourn the meeting.

Members also approved an amendment offered by Rep. Mike Jaros (DFL-Duluth) that would set aside 2 percent of the dedicated fund to be split between the Minnesota Zoological Garden in Apple Valley, the Como Park Zoo and Conservatory in St. Paul, and the Lake Superior Zoo in Duluth.

Holsten said he opposed including the zoos in the bill, arguing the measure was designed to focus on the state's water bodies, land, and forests.

Liz Anderson, deputy director of St. Paul Parks and Recreation, which oversees the Como Park Zoo and Conservatory, called the zoos a "natural fit for the bill."

"Our main mission is one of conservation," Anderson said.

Another amendment adopted during the hearing reallocated the distribution of funding called for in the bill in the following manner:

- 51 percent to improve fish and wildlife habitat;
- 20 percent for state parks and trails;
- 20 percent for parks in the Twin Cities metropolitan area;
- 7 percent for grants-in-aid trails, typically set aside for snowmobiles, and local and regional parks and trails; and
- 2 percent for zoos.

The bill's companion in the Senate (SF1589) cleared the Senate State and Local Government Operations Committee on May 8 and has been referred to the Senate Finance Committee.



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Everything old is new again

**1957 report prescribes reorganization of
Public Service Department, ultimately abolished in 2001**

Government reorganization plans never seem to go out of fashion in Minnesota. The state has a long history of self-examination and restructuring services.

Such was the impetus for the Department of Public Service in the 1960s. The same theory would call for its assimilation into the Department of Commerce at the end of 2001.

The Public Service Department directly descended from Minnesota's first state agency, the Railroad and Warehouse Commission.

Back when railroads were fast developing across the country, Minnesota officials recognized the need to safeguard them as vital to the public interest.

A railroad commissioner was established in 1871 and railroads were declared public highways a few years later. In 1885, the Legislature created the three-member Railroad and Warehouse Commission. Though the governor appointed the commission, the character was distinctly legislative, as evidenced by the legislators' interest in its operation.

According to a 1957 report by a group appointed to study the commission, it was viewed as a part of the legislative branch, appointed to regulate various commercial enterprises, including transportation and inspection of goods, and telephone and telegraph services.

"In much of its responsibility, a regulatory commission is an arm of the legislative branch of the government," the study report said. "Its organization depends fundamentally upon its duties assigned to it by the Legislature."

By 1957, the commission had nine divisions. The Legislature worried the structure would not allow commissioners to effectively perform duties and remain accountable to the public.

The report claimed the commission's functions were integral to transportation and marketing of commerce in the state. The group suggested that the related duties should be better organized and responsibilities more clearly defined in state law.

The report suggested reorganizing the commission into the new Public Service

Department, with two divisions – an administrative one handling enforcement and inspection and a regulatory one to prescribe rates, grant franchises, conduct investigations, and make rules.

A three-person commission would oversee the regulatory division. The report also

outlined the group's preferred method of electing commissioners.

The report suggested that allowing the governor to appoint commissioners or the public to elect them would jeopardize their ability to be "independent, im-

partial and competent, qualified to assume its delegated responsibility, and worthy of public trust."

The only way to guarantee those qualifications would be to allow election of commissioners by a joint convention of all 198 legislators. Commissioners would serve six-year, staggered terms, so a position would be up for election every two years.

"No one legislator or group of legislators can have the influence over a commissioner equal to that of an appointing governor or sponsoring political organization," said the report. "Legislative election is a kind of guaranty that those to whom legislative responsibility is delegated will be chosen for ability to perform an important complex task."

Actions in 1968 placed the commission's duties within the newly created Department of Public Service, organized much like the report recommended. In 1980, the Public Service Commission was spun off from the department and renamed the Public Utilities Commission.

The idea of a commission appointed by the Legislature never caught on. Today's Public Utilities Commission consists of five members, appointed by the governor, to six-year staggered terms. No more than three members can represent the same political party, and state statute is clear about members not being swayed by partisan interests.

(M. KIBIGER)



**The Railroad and Warehouse Commission Office
in the old State Capitol prior to 1905.**

Photo courtesy of the Minnesota Historical Society

★ CONSUMERS

Do-not-call bill passes

With the House's stamp of approval on a bill that would create a telemarketers' "do-not-call" list, it now awaits the governor's signature.

Under the plan, Minnesotans would be able to put their home phone numbers, free of charge, on a list to which telephone solicitors would have to subscribe.

A House-Senate conference committee arranged the final bill (HF2710/SF3246*), which the House and Senate passed May 9, 114-8 and 58-0, respectively.

The state Department of Commerce would maintain the list, which would have to be established by Jan. 1, 2003. Residents' names would stay on the list for four years — instead of two, as was previously in the bill — unless they chose to revoke them.

Nonprofit organizations, as well as political groups, would not have to subscribe to the list. Businesses that have a resident's permission, businesses with a prior relationship to a resident, and businesses who will follow up the phone call with a face-to-face visit are exempt from the requirement to obtain the list, according to the bill.

Four times a year, telemarketing companies would have to purchase the updated list or face a fine. The fee for obtaining the list would be \$125 for each copy. In 2004 the fee would be reduced to \$90, and thereafter it would be \$75.

General fund monies totaling \$482,000 in 2003 would be used to establish and maintain the list.

A violator of the list would be charged a civil penalty up to \$1,000 for each call.

If a national do-not-call list were established, the phone numbers on Minnesota's list would be sent to the Federal Communications Commission to be included on the national list.

The bill is sponsored by Rep. Matt Entenza (DFL-St. Paul) and Sen. Richard Cohen (DFL-St. Paul).

★ EDUCATION

Teaching the Pledge

The biggest difference between House and Senate versions of a bill that would require students to recite the Pledge of Allegiance appears to be a required classroom discussion about it.

The conference committee to work out the differences in the legislation (HF2598) met for



PHOTO BY TOM OLMSCHIED

Orville Otterness from the North Branch American Legion Post 85 testifies May 8 in support of Senate amendments to a bill that would require recitation of the Pledge of Allegiance during a hearing of the House-Senate conference committee resolving differences between proposals.

the first time May 8.

Both bills would allow any student or teacher who objects to reciting the pledge be excused from the exercise.

But the Senate amended the bill to require, at the beginning of the school year, a discussion about the "history and reason" for the recitation. Teachers would also have to inform students that anyone not participating should not be considered "unpatriotic."

Rep. George Cassell (R-Alexandria), sponsor of the House bill and co-chair of the committee, pointed out that there are no disclaimers for any other curriculum.

"This sends the wrong message to students," he said.

Rep. Paul Marquart (DFL-Dilworth), a teacher, agreed.

"I have a problem coming out and saying they don't have to do something, especially on the first day of school."

But some Eden Prairie High School students who have been following the legislation said they agreed with the Senate bill.

Brianna Mooty, a senior, said education on the flag is more beneficial in a discussion format.

"If we can understand why some students

aren't saying the pledge ... we would know why," she said.

No action was taken on the provision, but the committee plans to meet again to make final decisions.

The committee adopted all similar provisions. Several other parts of the bill need to be compromised.

The Senate bill would require public and charter schools to set aside time "time each week" for civics education.

Both sides agree school boards should be allowed to waive the requirement to recite the pledge, but the House conferees hold that the decision should be reviewed annually.

Lastly, the House would recommend instruction of flag etiquette to take place in fifth-grade social studies classes, and the Senate does not specify a certain grade.

House passes insurance study

The House passed a bill May 8 that would establish a 10-person labor-management committee to study a statewide health insurance plan for teachers.

Rep. Greg Davids (R-Preston), the bill's House sponsor, said the legislation is intended to help teachers who "year after year had double-digit increases in premiums." Some are paying \$8,000 in out-of-pocket costs for their family's insurance plans, he said.

"I hope we can find some answers for those whose insurance costs are eroding their salaries," said Rep. Alice Seagren (R-Bloomington). The bill (HF1868/SF1755*) passed 109-17.

The study would use \$200,000 of the tobacco endowment funds to cover expenses. Rep. Sondra Erickson (R-Princeton) proposed, then later withdrew, an amendment that would have required Education Minnesota to provide a \$100,000 matching grant to the state for the study.

"They should have a financial investment that this study is well done," said Rep. Mark Buesgens (R-Jordan).

But some felt it was unnecessary to put the cost on the state's largest education organization.

"This creates a burden on teachers that's unconscionable," said Rep. Matt Entenza (DFL-St. Paul). "We have adequate funds for this."

The study would compare purchasing full insurance coverage through a pooling arrangement, use of a multiple-employer welfare arrangement, and existing coverage

options. It would have to address the "issues of costs, coverage provided, financial feasibility and solvency, and management," according to the bill.

The Minnesota School Boards Association would appoint five members of the committee. Rep. Tony Kielkucki (R-Lester Prairie) successfully amended the bill to require one member each to represent employees of nonpublic and charter schools.

The bill was also amended to require the study to address issues involved in cost shifting in health care and health insurance markets.

A preliminary report would be submitted to the Legislature by Dec. 31, 2002, with a final report due Dec. 31, 2003.

The Senate did not concur with the House changes, so a final version may be worked out in a conference committee.

★ GOVERNMENT

Covering treasurer duties

The state treasurer would remain the state treasurer, under a bill passed 90-35 by the House May 8. However, it would still no longer be a constitutional office.

Rep. Sondra Erickson (R-Princeton), the House sponsor of the bill (SF2963), said that even though voters elected to abolish the office effective January 2003, the duties of the position still need to be performed.

The state treasurer is responsible for overseeing state funds independent of all other agencies.

The bill would create a new statutory office. The governor, with the advice and consent of the Senate, would appoint the treasurer.

Rep. Phyllis Kahn (DFL-Mpls) spoke against the bill saying that it would create an unnecessary "layer" of government and that it would go against what the voters approved. Kahn said the Senate proposal of transferring the treasurer's duties to the Department of Finance makes more sense.

Erickson said the bill would ultimately mean a "downsizing" of government because a deputy treasurer wouldn't be needed and there could be a possible future reduction in staff, as well.

Changing the position from a constitutional office to a statutory office makes the most sense and would be the most cost-effective approach, said Rep. Philip Krinkie (R-Shoreview). He said voters approved eliminating an elected position but it is still necessary for someone to "balance the checkbook of state government."

The House adopted an amendment offered by Rep. Dave Bishop (R-Rochester) that would require the Department of Finance to prepare a new state budget forecast if a special session dealing with budget issues is called prior to Dec. 1, 2002.

Bishop said lawmakers currently receive monthly updates from the department on the state budget but a forecast is necessary as a basis for decisions that would need to be made in a special session.

The Senate originally passed the bill 54-8 on March 8. It now returns there for approval of the House amendments. Sen. Ann H. Rest (DFL-New Hope) is the Senate sponsor.

Unicameral idea returns

Proving the adage that a proposal is never dead until the Legislature adjourns, a bill that would propose a constitutional amendment to have the state adopt a one-house legislature was introduced May 8.

It was referred to the House Rules and Legislative Administration Committee.

Rep. Dave Bishop (R-Rochester) made a motion on the House floor to re-refer the bill (HF3722) to the House Ways and Means Committee, which he chairs. But the bill sponsor, Rep. Ron Abrams (R-Minnetonka), said the motion was an effort to kill the measure because Bishop has been a vocal opponent to the unicameral proposal.

On March 25, the Ways and Means committee voted 17-10 against another unicameral proposal (HF2764), also sponsored by Abrams.

According to Abrams, the fiscal impact of the new bill would be around \$2,000, the amount necessary for the Office of the Secretary of State to put the constitutional amendment on the general election ballot.

Abrams said that during the March 25 hearing, the House Ways and Means Committee spent minimal time discussing the fiscal impact of the bill and the majority of the discussion was on the policy of adopting a one-house legislature. The committee's jurisdiction is on fiscal matters only.

Bishop later withdrew his motion to re-refer the bill, saying that depending on what action the rules committee takes on the bill, he could still make a motion for his committee to hear it.

A unicameral proposal in the Senate (SF2505), sponsored by Rep. Dave Kleis (R-St. Cloud), awaits a hearing by the Senate Rules and Administration Committee.

★ HEALTH

Preparing for bioterrorism

A House-Senate conference committee agreed to a compromise measure May 2 that clarifies the emergency powers of the governor and the health commissioner in the event of a bioterrorist attack.

The conference committee report to a bill (HF3031), sponsored by Rep. Richard Mulder (R-Ivanhoe) and Sen. John Hottinger (DFL-Mankato), would make a "public health emergency" a trigger of the governor's authority to declare a national security or peacetime emergency.

The bill now returns to both the House and Senate for final approval.

Under the bill passed by the House on March 22, the trigger was more narrowly defined as a "bioterrorism incident."

According to the conference committee report, a "public health emergency" would include bioterrorism, a natural disaster, a chemical attack, or a nuclear attack.

House and Senate conferees spent hours fine-tuning the bill, struggling over language that would empower state officials to prepare for a potential doomsday scenario.

Under the measure agreed upon by conferees, the governor's authority to declare a national security or peacetime emergency outlined in state law would be restricted in a number of ways. For example, before making a declaration due to a "public health emergency," the governor would be required to consult with the commissioners of health and public safety and the state director of homeland security. In addition, the Legislature would have the authority to terminate an emergency declaration by the governor with a majority vote of each body.

The bill, known as the emergency health powers act, would also place checks on the health commissioner's powers to respond to a public health emergency. State law already allows the commissioner to isolate or quarantine people to curb the spread of disease.

Under the bill, the Minnesota Department of Health would be required to obtain a court order to isolate or quarantine members of the public.

The Health Department would be allowed to go ahead with plans to separate those infected or believed to be exposed if the delay would "significantly jeopardize" the commissioner's ability to prevent the spread of the disease. However, the department would be required to obtain the court order to continue within 48 hours of the initial action.

These due process provisions were included in the bill passed by the House in March but

were absent from the initial Senate companion measure.

A number of other issues debated this session got rolled into a study that the Health Department would be required to complete. A report would be due to the Legislature by Jan. 15, 2003.

The topics include protecting healthcare providers from liability and the use of antibiotics in livestock and poultry that are critical to human health.

If the bill becomes law it would sunset Aug. 1, 2004.

Drug administration

**Signed
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governor
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The state's emergency medical groups will be required to develop a plan by Sept. 1, 2002 to equip all Minnesota ambulances with epinephrine, under a new law signed by the governor

May 8.

The stimulant is used to treat life-threatening allergic reactions.

While nearly all ambulances in the Twin Cities metropolitan area already carry epinephrine, about 40 percent of ambulances in Greater Minnesota go on runs without the drug.

The House passed the bill 120-0 on May 1. It cleared the Senate the next day by a 58-0 vote. Rep. Jim Abeler (R-Anoka) and Sen. Deanna Wiener (DFL-Eagan) were the bill sponsors.

At a hearing before a House-Senate conference committee, doctors and parents of children with potentially fatal food allergies called for a law mandating that all ambulances be stocked with the stimulant.

The Minnesota Ambulance Association, however, expressed concern about establishing a mandate in state law requiring ambulances to carry the drug.

O.J. Doyle, a lobbyist for the association, said ambulance providers preferred to establish a statewide plan on their own.

The section of the law related to epinephrine is effective May 9, 2002.

Under the new law, registered nurses will also be allowed to administer prescription drugs and vaccines to patients that display symptoms consistent with conditions outlined in a protocol. That section is effective July 1, 2002.

HF3359*/SF3005/CH362

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**Signed
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governor
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A new law will permit out-of-state physicians to practice telemedicine in Minnesota, provided they meet a number of licensure requirements in their home state.

Gov. Jesse Ventura signed the measure into law May 8.

The House voted 126-0 to pass an amended bill April 25. The Senate voted 58-0 to re-pass the bill May 2.

Rep. Richard Mulder (R-Ivanhoe) and Sen. Steve Kelley (DFL-Hopkins) were the bill sponsors.

Telemedicine is defined in the law as the "practice of medicine when the physician is not in the physical presence of the patient."

On the House floor, Mulder said the legislation will target physicians who prescribe medication over the Internet.

"This is a 12-year-old issue," he said, drumming up support for the measure. "It's time to get this on the books."

The physician will be required to register with the Minnesota Board of Medical Practice and pay a \$75 annual fee and a \$100 application fee.

HISTORIC READING



PHOTO BY TOM OLMSCHIED

Elizabeth Karel, a Capitol historical site guide, reads May 7 as she awaits the next guided tour group during Minnesota Statehood Week. At her location in the Capitol, groups hear how Minnesota's boundaries were drawn before it became a state on May 11, 1858.

Doctors will be obligated to meet a number of other standards outlined in the law, including having a license to practice medicine without restriction in their home state.

They will also be barred from opening an office in this state to meet with or receive calls from patients.

Exemptions from the registration requirements will apply to physicians responding to an emergency medical condition, those who offer services on an infrequent basis, and doctors who consult with Minnesota physicians that maintain authority over a patient's diagnosis and care.

The new law is effective Aug. 1, 2002.
HF3346/SF3026*/CH361

★ HUMAN SERVICES

Full reference disclosure

Employers who disclose information during a reference check about a current or former worker at a licensed facility for children would be protected from liability, under a bill passed by the House May 8.

The 118-9 vote occurred after the adoption of an amendment that would require school districts or charter schools to disclose information relating to "any act of violence or inappropriate sexual contact with a student" to other schools requesting information about a prospective employee.

The bill now goes to the Senate.

Rep. Jim Abeler (R-Anoka), sponsor of the bill (HF3092), said the measure would codify common law. Sen. John Hottinger (DFL-Mankato) is the sponsor of a companion measure (SF3085) in the Senate.

Abeler said many providers have refrained from providing references beyond disclosing dates of employment for fear of breaking the law.

"This bill is intended to provide additional security for our state's most vulnerable people," he said.

The bill would permit providers to disclose the employee's compensation, job description, duties, and training and education provided by the employer.

Additionally, providers would be allowed to reveal information about behavior that resulted in disciplinary action or resignation, including acts of violence, theft, harassment, and other illegal conduct.

With the employee's consent, the provider would also be allowed to provide prospective employers with written job evaluations and disciplinary warnings and actions along with the employee's response.

★ LOCAL GOVERNMENT

Parking limitations lifted

Signed
by
the
governor
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Visitors needing to complete business at Hennepin County offices located in Minneapolis might have more parking options, under a new law signed May 3 by Gov. Jesse Ventura.

Effective Aug. 1, 2002, the new law allows the county to acquire and improve off-street parking facilities that serve public buildings, used for county purposes and under the jurisdiction of the county board.

Originally passed in 1969, the existing law limits the county to ownership of one off-street parking facility within the city of Minneapolis.

Rep. Ron Abrams (R-Minnetonka), the House sponsor, said the restriction on the county is the only one like it in the state. He said the law will allow the county to potentially provide more parking closer to the Hennepin County Medical Center.

The law will also remove a five-year limit currently in place for county-lease contracts of real property.

The new law passed the House on April 25 126-0 and the Senate 56-0 on April 29.

Sen. Ann H. Rest (DFL-New Hope) was the Senate sponsor.

HF2906/SF2568*/CH359

★ RECREATION

Boundary changes pass

A bill adjusting a number of state park boundaries is on its way to the governor's desk.

The House voted to pass the bill (HF3025/SF2727*), sponsored by Rep. Doug Peterson (DFL-Madison) and Sen. Don Samuelson (DFL-Brainerd), on a vote of 104-17 May 9 after adopting a conference committee report.

The Senate passed the measure 58-0 earlier in the day.

The bill calls for multi-use, dual-treadway trails on the Casey Jones Trail near Pipestone in southwestern Minnesota and the Cuyuna Lakes Trail in Crow Wing and Aitkin counties in northern Minnesota.

A number of state trails and parks gain acreage under the bill, including Crow Wing State Park near Brainerd, Myre-Big Island State Park near Albert Lea, and Big Bog State Recreation Area in Beltrami County in north-central Minnesota.

The Richard J. Dorer Memorial Hardwood State Forest in southeastern Minnesota and

the Pillsbury State Forest near Brainerd would also gain land.

The Cuyuna Country State Recreation Area under development about 15 miles northeast of Brainerd would both lose and gain acreage.

A number of counties would also be permitted to sell surplus, tax-forfeited, or trust lands, under the bill.

★ SAFETY

Motorcycles, license renewals

The House approved a conference committee report May 8 that would make a number of changes to public safety laws. The vote was 119-2.

Included in the bill (HF3203) are provisions that would allow motorcycles to legally drive through red lights, and the creation of special license plates for veterans.

An earlier Senate amendment that would have kept the Governor's Residence open was not included in the final conference committee report.

Gov. Jesse Ventura closed the Summit Avenue mansion after legislators trimmed \$175,000 from his security detail.

The bill includes a proposal heard in committee as HF3226, sponsored by Rep. Tom Workman (R-Chanhassen). It would allow motorcyclists to go through red lights when their motorcycles aren't detected by the

stoplight. An amendment that would have given bicyclists the same freedom was not included.

Another provision would clear the way for online driver's license renewals by allowing the Department of Public Safety to adopt rules related to how it administers eye exams when people apply to renew a license.

An exception to a requirement that airports match any federal funds was also included. The one-time exception would let airports receive federal aid as part of the federal anti-terrorism package passed in the fall of 2001 without having to kick in local funds.

Rep. William Kuisle (R-Rochester) and Sen. Steve Murphy (DFL-Red Wing) are sponsors of the measure, which has yet to be approved by the full Senate.

★ TRANSPORTATION

Policy provisions signed

Signed
by
the
governor
★ ★ ★

Although a transportation funding bill has yet to pass, transportation policy changes were signed into law by Gov. Jesse Ventura on May 9.

Among the law's many provisions is an exception to the moratorium on state consultant contracts.

Rep. William Kuisle (R-Rochester), the House sponsor, said the law will allow the Minnesota Department of Transportation

WELFARE BENEFITS



PHOTO BY TOM OLMSCHIED

Jawan Wells, 3, enjoys a treat outside the House Chamber May 7 as his grandmother, Jeanette Jones, and members of the Welfare Rights Committee hold their countdown signs and distribute literature to House members asking for an extension of public assistance benefits. Human services officials estimate about 3,300 families will reach the 60-month limit for welfare benefits during fiscal year 2003, which begins July 1 of this year.

(MnDOT) to continue road construction projects that will be paid for by general fund dollars appropriated by the 2000 Legislature.

The Senate voted 51-6 on May 2 to approve a conference committee report, and the House followed suit on May 6 with a 98-29 vote.

Also included in the law are provisions to allow MnDOT to purchase land for future highway projects, allow advance funding for certain highway construction projects, encourage the use of agricultural-based dedicating solution for state roads, and keep the Stillwater bridge project alive.

A provision also recognizes an agreement reached between the Minnehaha Creek Watershed District and MnDOT concerning Camp Coldwater Springs near Fort Snelling. A law passed in 2001 to protect the spring halted construction at the intersection of Highways 55 and 62. The agreement will allow construction to resume without affecting the spring's flow.

Several school bus provisions are also part of the new law. One will prohibit buses from parking near air-intake systems of schools to prevent students from breathing diesel fumes. Another will allow the state's public safety commissioner to cancel the endorsement of school bus drivers who have been convicted of a gross misde-

meanor or a series of violations that show the person is a risk to public safety.

Previous law denied a school bus endorsement to those who have been convicted of a gross misdemeanor within the past five years, as well as those who have been convicted of a felony, drug and alcohol violations, or invasion of privacy.

Among provisions that were cut from the conference committee report was one that would have prohibited the Metropolitan Council from spending money on the study or design of the Dan Patch commuter rail project.

Although House conferees approved of killing the project, Senate conferees wanted to keep it alive, Kuisle said. Opponents of the commuter rail line, which would connect Northfield and Minneapolis, said studies have shown the project to be economically unfeasible.

Also scrapped was a House proposal to prevent the city of Minneapolis from enforcing zoning ordinances that would force the closing of commercial or industrial activities along the upper harbor of the Mississippi River.

Changes in the law, also sponsored by Sen. Dean Johnson (DFL-Willmar), take effect Aug. 1, 2002.

HF3199/SF3298*/CH364

FEN FUND REQUEST



PHOTO BY ANDREW VON BANK

Chanhassen Mayor Linda Jansen testifies May 8 before the House capital investment working group to request funds for the protection of Seminary Fen/Assumption Creek trout stream.



Better late than never

Massachusetts law clears names of 'witches'

It was literally a witch-hunt that resulted in the execution of 20 people.

When two young Massachusetts girls began to behave strangely by screaming deliriously and falling into trance-like states resulting in uncontrollable seizures, local officials, lacking any other rational explanation, determined Satan had possessed the girls.

Hysteria ensued when more local girls began displaying similar symptoms. The ensuing Salem Witch Trials remain one of the more bizarre episodes in American history.

Last year the Massachusetts Legislature officially cleared the names of five of the accused witches.

It took more than 300 years for Susannah

Martin to have her name cleared of the charges that resulted in her hanging.

In 1692, Martin and 19 others were found guilty of performing witchcraft. Two school-girls had accused Martin of "sicking" phantom puppies on them and walking in the rain without getting wet.

"I may (laugh) at such folly," Martin said at her trial. "I have no hand in witchcraft."

Months after her hanging the jurors issued a public apology that expressed remorse. "We justly fear we were sadly deluded and mistaken for which we are much disquieted and distressed," the apology read.

In 1711 all of the accused were exonerated but some of the families did not

accept the apologies offered.

A 1957 legislative resolution exonerated "one Ann Pudeator and certain other persons." Over the following years relatives of Martin and the others accused pushed for their ancestors' names to be recognized in law.

The 2001 law specifically states that Martin and four others were indeed innocent of the charges.

Rep. Paul Tirone (D-Amesbury) sponsored the 2001 law on behalf of a constituent. The bill that was signed into law by Gov. Jane Swift on Halloween also exonerates Bridget Bishop, Alice Parker, Margaret Scott, and Wilmot Redd.

(D. MAEDA)

In the black, for now

Extra unemployment benefits would deplete reserves, requiring temporary tax increase and possibly federal loan

BY THERESA STAHL

Deciding who gets what amount of extra unemployment benefits will likely be the last battle before wrapping up the economic development omnibus bill (HF3648/SF3431*).

House and Senate conferees are slowly compromising on other provisions, seemingly saving the largest for last.

So far both sides are sticking to their guns. The Senate wants to grant extra unemployment benefits to all workers laid off since September 2001. The House would only grant extra benefits to the unemployed living outside the Twin Cities metropolitan area.

But whatever benefits are granted, the money would come from the unemployment fund, which is where unemployment insurance taxes paid by employers are deposited for disbursement. And officials expect the fund to be depleted by the end of the year.

Lawmakers are committed to making sure no individual employers are penalized with higher rates to pay for the one-time extra benefits they are debating. And in order to replenish the unemployment fund, a temporary base tax increase to employers may be necessary.

In testimony before the conference commit-

tee, officials expressed concern for the overall health of the unemployment fund.

Lee Helgen, executive director of the Minnesota Workforce Council Association, said the Legislature should examine "the need for the next fiscal year and the need for the long-term future of the fund."

Economic constraints, employment options

In the Senate and House proposals, extra benefits would not be an additional tax on employers that have resorted to laying off workers. In this case, the state has recognized that the bad state of the economy is essentially no fault of any employer.

Rep. Dan McElroy (R-Burnsville), co-chair of the conference committee, has maintained that people living in the Twin Cities have a much better chance finding a job than someone from Greater Minnesota because the unemployment rate is lower.

"Unemployment benefits are to maintain stable communities, and in the Twin Cities we don't have to worry about that as much," he said at an April 16 meeting.

Sen. Ellen Anderson (DFL-St. Paul), also a co-chair, said the state will lose skilled workers if unemployment benefits are cut and that the House plan is not fair.

"It's arbitrary to say that some workers in one county may get benefits and some in others don't," she said.

Many who were laid off last fall are back to work, either rehired by their former company or working for a new one. Rebecca Yanisch, commissioner of the Department of Trade and Economic Development, told the conference committee

that manufacturers believe the state is past the recession, and 80 percent of Minnesota companies have said they aren't going to cut more employees.

Yanisch said investment in the workforce has paid off economically. She was referring to the state's dislocated worker programs, which help people who have been dislocated from a long-held job due to no fault of their own. The programs aim to upgrade current job skills, retrain workers whose skills are not marketable, and provide support services, according to the department.

Though many companies have laid off workers, committee discussion has revolved around Farmland Foods Company, whose Albert Lea plant burned down in July 2001; Fingerhut Corporation, Inc., which has laid off 2,400 employees so far — most of them residents of the St. Cloud area; and airline workers and employees of related industries, the majority of which live in the Twin Cities metropolitan area.

The final decision on unemployment benefits is crucial, McElroy has said, because it sets a precedent for future layoffs and recessions.

As a result, any extra benefits extended to metropolitan area workers would likely carry an extra tax for those specific employers with it. For example, current House proposals to extend benefits to airline workers, primarily mechanics because of their specialized skills, would require their employers to pay a higher tax temporarily. Such a measure would largely affect Northwest Airlines.

However, Anderson is concerned that by not granting extra benefits, without regard to where someone lives, the state sends a message that it doesn't want to keep its skilled workers.

Replenishing the fund

According to the Department of Economic Security, unemployment insurance claims in calendar year 2001 were up 50 percent over the previous year. Conversely, the unemployment fund has been cut nearly in half since January 2001.

In previous economic ebbs and flows, a mild recession in the early 1990s caused the state's unemployment fund to drop to \$127 million, when in previous years it had been fairly consistent around \$400 million. The fund hit a high of \$749 million in November 2000 when unemployment rates were extremely low, then an economic decline pushed the fund down

Continued on page 22



PHOTO ILLUSTRATION BY ANDREW VON BANK

Claims for unemployment insurance have increased by 50 percent since January 2001, rapidly depleting the unemployment fund. Lawmakers are debating whether to extend benefits to certain laid off workers.

A quiet dilemma

State could lose millions of dollars, or tax forms could get longer, due to new federal tax changes

By DAVID MAEDA

As if grappling with a \$439 million deficit wasn't difficult enough, a federal law change could result in either millions less in state tax revenue over the next few years or headaches for some Minnesota taxpayers, unless the Legislature takes action.

A provision of President Bush's economic stimulus package, the "Job Creation and Worker Assistance Act of 2002," allows individuals and businesses a temporary additional depreciation deduction.

For the most part, Minnesota, like many other states, bases its income tax calculations on federal definitions of income. Therefore, unless the state conforms to the federal changes, calculating state taxes would have to be done separate from federal definitions. If the state fully conforms with the depreciation changes, the Department of Revenue estimates that it would cost \$103.8 million in 2002 and \$129.7 million in 2003.

indeed for almost all states with income taxes," Smith wrote. "Conforming Minnesota's tax laws to the federal provisions would maintain simplicity of tax calculation and filing requirements for business and individual taxpayers, but at the cost of significant tax revenue loss to the state as federal benefits are passed through to the state return."

A House offer made in the conference committee April 12 included the department's recommendation to conform the state tax laws with most of the changes in the federal law except for the additional depreciation allowance. Abrams said the partial conformity would cost around \$6.7 million this biennium but the state would actually gain \$1.1 million in 2004-2005.

Depreciation deductions are allowed so that taxpayers may recover the cost of certain property used for business purposes. The federal change allows businesses to deduct an additional 30 percent in the first year. The provision

"Conforming Minnesota's tax laws to the federal provisions would maintain simplicity of tax calculation and filing requirements for business and individual taxpayers, but at the cost of significant tax revenue loss to the state as federal benefits are passed through to the state return."

— Department of Revenue Commissioner Matt Smith

"If Minnesota does nothing, we will add 16 additional lines to various forms," Rep. Ron Abrams (R-Minnetonka) told the House-Senate budget conference committee April 12. He added that had the federal government handled the change as an investment tax credit the state would not be facing the dilemma.

In March, Department of Revenue Commissioner Matt Smith sent the two tax committee chairs in the House and Senate, Abrams and Sen. Lawrence Pogemiller (DFL-Mpls) respectively, a letter outlining the department's recommendations to address the issue.

"The new federal law poses a difficult problem for Minnesota's tax and budget policy, as

applies from Sept. 11, 2001 until Sept. 11, 2004.

There are stipulations on the type of property that qualifies. For example, the asset life of the property must be 20 years or less.

How would it work? A company purchases qualified property for \$100,000. The business would be allowed an additional first year deduction of \$30,000. The remaining \$70,000 would be deducted over the following years using the traditional depreciation formulas.

Using traditional accounting practices like a 150 percent declining balance formula, the business might deduct 10 percent the first year, 20 percent the second year, and 12 percent the remaining years.

Jenny Engh, an assistant commissioner of the Department of Revenue, said if the Legislature does not at least adopt the new federal income definitions, the state's tax instructions and filings would become extremely complicated.

In addition to the number of lines that would need to be added to income tax forms, Engh said seven new worksheets would have to be created to assist taxpayers with their calculations.

Though the depreciation tax adjustments only affect about 20,000 corporations and 125,000 individual business filers, the department would have to create the new forms for all taxpayers, which officials say is impractical.

Because the federal law is retroactive to last September, the department advised affected taxpayers to either file for an extension on their 2001 taxes or file them and then amend their returns to take into account what action, if any, the Legislature takes. Engh said there has been much confusion about the changes but no noticeable increase in the number of extensions filed.


She said the state faced a similar situation nearly 20 years ago when the federal government implemented the modified accelerated cost recovery system, and that the state was still dealing with conformity issues up until last year.

Minnesota is not alone in facing the impact of the federal changes. The Center on Budget and Policy Priorities, a nonpartisan research organization based in Washington D.C., estimates state revenues will be reduced by around \$4.8 billion in the current year if all states conform to the federal law.

Although the depreciation provision of the federal law would have the biggest fiscal impact on the state, there are many other provisions to the federal act.

It allows a \$250 deduction for teacher expenses for purchases of materials used in the classroom. Also, employers, with employee consent, can furnish employees with their W-2's in an electronic format instead of a paper copy.

There are also several time extensions to current tax credits and deductions that were scheduled to expire.

One such extension is a credit for the purchase of electric-powered motor vehicles. A 10 percent credit, up to \$4,000, is allowed for people who purchase vehicles that are primarily powered by an electric motor. The credit was due to expire in 2004 but it now can be claimed until 2006. 

Iron Range advocate

Bakk hopes to continue his efforts for residents of northeast Minnesota in the Senate

By SARAH MCKENZIE

Rep. Tom Bakk (DFL-Cook), who is stepping down to run for the Minnesota Senate, points to newly renovated schools in the state's northeastern corner as the hallmark of his work in the House.

Along with Sen. Doug Johnson (DFL-Tower), Bakk worked to secure public dollars for schools in Lake and Cook counties. Cook County, in particular, has a small tax base to draw from to fund school improvements.

In the state's far northeastern corner, the county is sparsely populated with 5,000 residents. About 90 percent of the land is publicly owned.

champion of his constituents.

"His objectives and his interests are not as much as the party line as with the people he represents," Conboy said.

Bakk, 47, has decided to run for the Senate at a time when the political landscape of northeastern Minnesota faces great change.

The region has lost long-time lawmakers with the deaths of Sen. Sam Solon (DFL-Duluth), who was first elected to the Legislature as a representative in 1970, and Rep. Willard Munger (DFL-Duluth), who joined the House in 1954.

Johnson, whom Bakk considers a mentor, will retire from the Senate after more than 30

years at the Capitol. Johnson was Bakk's high school guidance counselor, as well.

Bakk called Johnson a "brilliant strategist" who knows how to get things done.

The two lawmakers worked together to secure extended unemployment benefits for workers laid off on the Iron Range last year.

The 2001 Legislature passed a law granting 26 weeks of extra unemployment benefits to miners after the LTV Steel Mining Company filed bank-

ruptcy and closed its Hoyt Lakes plant.

Rep. Greg Davids (R-Preston), chair of the House Commerce, Jobs, and Economic Development Policy Committee, credits Bakk with teaching him a lot about northeastern Minnesota, and the Iron Range in particular.

He toured the region with Bakk and other lawmakers last session.

"Tom is a very solid legislator who always knows where he's headed," Davids said. "He's been a tireless advocate for the Range. The House will be so different next year. We're going to lose some really good people — I'd put Tom in that category. He's a classy person."

Besides serving on the House Commerce, Jobs, and Economic Development Policy Committee this session, Bakk served on the House Environment and Natural Resources Finance and Policy committees.

Bakk has worked to expand sewer projects in his district to replace individual sewage treatment systems that have threatened ground water quality.

Rep. Dennis Ozment (R-Rosemount), chair of the House Environment and Natural Resources Policy Committee, said Bakk has "incredible firsthand knowledge on hunting, fishing, and trapping issues, as well as ATV and snowmobile use."

"He has been a strong advocate for the northeastern part of the state, supporting trail and park development and forestry management," Ozment said.

Bakk has also been a proponent of increased local control of the Boundary Waters Canoe Area (BWCA) and Voyageurs National Park — areas managed by the federal government.

During his first year in office in 1995, Bakk carried legislation that asserts Minnesota's rights to the surface waters and lakebeds inside the BWCA and Voyageurs National Park.

The law instructs the governor and other constitutional officers to "vigorously assert and defend" the state's ownership of the waters.

Rep. Irv Anderson (DFL-Int'l Falls), who was speaker of the House at the time, encouraged Bakk to sponsor the bill.

Anderson said Bakk did a good job shepherding the legislation, and he echoed other House members in calling him a supporter of the environment and outdoor recreation.

In turn, Bakk said Anderson has been an influential teacher, showing him that legislators can accomplish a lot by empowering other people to take action.


"That's how you lead — to plant ideas in the minds of other people," Bakk said. 



PHOTO BY TOM OLMSCHIED

Rep. Tom Bakk will leave the House to run for a seat in the Minnesota Senate vacated by Sen. Doug Johnson, who will retire after this term.

With a \$6 million public contribution toward a \$10 million project, Cook County High School in Grand Marais was completely overhauled. It has upgraded classrooms, a new gym, and a community theater.

"I feel very strongly that no matter where you live in the state you should be able to have the same kinds of opportunities for a quality education," said Bakk, who works as a building trades labor representative.

Doug Conboy, Cook County High School principal, said he doubts the renovation would have happened without the work of the region's lawmakers. He said Bakk has been a

STEPPING DOWN

Rep. Tom Bakk

DFL

District 6A — Cook

Terms: 4

Career notes: Bakk, who serves on several House committees and the Iron Range Resources and Rehabilitation Board, has sponsored legislation that extended unemployment benefits to laid off LTV miners and appropriated money for schools in northeast Minnesota.

Aiming higher

After four years in House, Gray says he can't pass up the opportunity to run for state auditor

By DAVID MAEDA

Rep. Gregory Gray's (DFL-Mpls) tenure with the House didn't exactly go as planned.

"I knew at some point I would want to move on and do some other things, but in my mind I kind of figured three terms," he said. "The first term you probably are not going to get a lot done. The second term you kind of learn the ropes and you're making progress. The third term you can really cash in and do some important things."

Gray received the DFL endorsement for state auditor May 5. As a result, a third House term will have to wait. He said the decision to run for the office came after he discussed the position with the current auditor, Judi Dutcher.

"I felt it was an opportunity for me to continue public service on a broader scale, a full-time scale, and that it was too good an opportunity to pass up with the skill set I have," he said.

Gray holds a law degree from Hamline University and spent 10 years in the private sector auditing corporations, including Pillsbury, Land O' Lakes, Dayton Hudson, and Marquette Banks.

Recalling his first election to the House, Gray said K-12 education was a top priority in his north Minneapolis district. But being a new member meant he didn't have the seniority to be appointed to the House K-12 Education Finance Committee. Instead he served on the House Education Policy and Family and Early Childhood Education Finance committees.

"As it turns out, I'm glad fate put me on early childhood because I had a great time. It's a neglected area that has so much potential. The one message I would leave my colleagues is to give a much higher priority to early childhood education. We have an opportunity to intervene in kids' educational life in a positive way and save millions and billions of dollars."

Gray said it's been a struggle just to preserve funding for early childhood programs let alone expand them.

"In many people's minds, early childhood

education is still the province of mom and dad," he said. "Mom and dad should raise kids until they go to kindergarten. I would never try and suggest that mom and dad are not the pivotal players, but we have moms and dads all over the state saying they need help."

Being one of two African-American House members, Gray predicts the diversity in the Legislature will soon grow, and there will be three times as many minority members six years from now, which will lead to a better process.



PHOTO BY TOM OLMSCHIED

Rep. Gregory Gray will leave the House after two terms to run for state auditor.

"We can't come up with good laws unless we understand what the people of Minnesota want. And we can't understand what the people of Minnesota want unless we have a diverse group who are involved in putting those laws together," he said.

Rep. Carlos Mariani (DFL-St. Paul) said that coming from a "humble" background and a single parent household has made Gray a passionate lawmaker and a "very eloquent" advocate, particularly for children's issues.

Mariani, who is Hispanic, said that because there are only three members of color serving in the House, that he, Gray, and Rep. Neva Walker (DFL-Mpls) have developed a special camaraderie.

"I've been here for 12 years and I don't necessarily come here looking to make a long

lasting friendship," Mariani said. "But I made a long lasting friend."

He said when Gray first arrived Gray had his "eyes opened" by the disconnect between "what gets talked about here and what gets talked about in the community."

Gray said his biggest disappointment was the failure to pass a bill last session that would have required a study of racial profiling in the state and mandatory data collection.

"It's rare you find any community united, but across economic lines, African-Americans, Latinos, and others were solidly saying racial profiling is a problem, and collecting the data is the minimum thing we'd like you to do," Gray said. "And the door was slammed in our face."

Gray said he expects the issue will be back in the near future because it still has a significant impact on the people of Minnesota.

Rep. Harry Mares (R-White Bear Lake), chair of the House Education Policy Committee, praised Gray's contributions to the committee and to the Legislature as a whole.

"He is honest and he is truthful and he is a person of his word," Mares said. "He is a very good legislator. He supports his positions with facts and information. Although I understand his decision to move on it would have been great if he remained in the Legislature. He will be sorely missed."

STEPPING DOWN

Rep. Gregory Gray
DFL
District 58B — Minneapolis
Terms: 2

Career notes: Gray has been an advocate for increased early childhood education funding and was a leading proponent to study racial profiling and mandate data collection related to the practice in the state.

Beam it up

Technology may allow Minnesota, other states to eliminate the gas tax altogether as a method for funding transportation

By LISA HILTON

While Minnesota lawmakers debate whether to increase the state's gas tax, others imagine a world without any such taxes.

A group of researchers, led by some at the University of Minnesota, are studying a way to eliminate the tax and replace it with a tax on miles driven.

The system would use a global positioning satellite (GPS) to track the number of miles traveled by a vehicle. Drivers would upload data to a billing facility, which would mail bills to drivers.

Fourteen states, including Minnesota, and the Federal Highway Administration are sponsoring the study. Results are expected within one year.

Although the system is likely years away from being implemented in the United States, some countries in Europe are proving the idea isn't so far fetched. Switzerland has used a satellite taxing system since January 2001 for 60,000 trucks weighing more than 3.5 tons. Officials expect to collect about \$850 million a year in tax revenue from the system.

Adeel Lari, director of the Minnesota Department of Transportation's (MnDOT) Office of Research Services, says the system would assure a revenue source for transportation, since the gas tax is becoming less effective in supporting transportation costs.

Since the tax went into effect in the 1920s, the cost and complexity of road construction has increased while the fuel efficiency of cars has also grown.

For example, in 1970 the average car got 13.5 miles per gallon. In 1986, the federal government increased fuel efficiency standards so a manufacturer's passenger cars must average 27.5 miles per gallon and 21 miles per gallon for light trucks and SUVs.

As the country turns to vehicles that are more fuel efficient or run on alternative fuels, such as electricity or hydrogen, there is less dependence on gas and less money from gas taxes, Lari said.

The system is designed to be revenue

neutral, since the current 18-cent federal gas tax and 20-cent state gas tax would be cut, as would other vehicle-related fees.

Costs of global positioning satellite units are also falling and several car manufacturers plan to make the devices standard in future new cars, Lari said.

Researchers are looking into whether the state or drivers would be responsible for installing the satellite system.

In Switzerland, the country buys the equipment, which costs about \$750, and truckers

incentive for people to buy fuel efficient vehicles, but states would be able to create different price structures depending on the efficiency of a vehicle, Lari said.

The system would also allow trucks to be automatically weighed and would allow states to charge more for them than other vehicles, since trucks are responsible for more road wear.

Privacy groups have bashed the plan, calling it an Orwellian invasion of privacy, and questioning the possibility for abuse.

Lari disagreed, saying, "Privacy shouldn't be an issue." The system's computer would receive data from the satellite, which would then be stored by the vehicle, not the government, he explained. Drivers would even be able to review data before uploading it to the billing center.

Although the plan faces some technological challenges, the biggest challenge may be convincing drivers it's a good idea.



PHOTO ILLUSTRATION BY TOM OLMSCHIED

Developing technologies, such as global positioning satellite systems, might provide policy makers with transportation funding alternatives to the gas tax.

spend about \$300 to install it.

One advantage of the system is its flexibility, Lari said.

States could charge drivers according to how much damage a vehicle does to the road. And since the state would receive data about whether cars are on a state, county, or city road, states would be better able to monitor the flow of traffic.

Since the system could also impose higher rates for those driving during rush hour, it could relieve congestion by encouraging commuters to drive during off-peak times, officials say.

Changing the tax system might reduce the

Alternatives to the gas tax have traditionally not been popular among Minnesotans.

The 1993 Legislature voted to allow toll roads and bridges in the state, but so far, none have been built. Four years ago, MnDOT considered five toll road projects, including one on U.S. Highway 212 through Eden Prairie, but the city vetoed the project.

In 1997 the state considered a plan that would have charged single drivers to use the carpool lane during periods of heavy congestion, but public opposition killed that plan.

Continued on page 22

Reconciling differences

May 20 deadline approaches, leaving legislators with a number of issues to resolve

With less than two weeks left before the constitutional deadline, most of the remaining debate in the House of Representatives is occurring in House-Senate conference committees, though each body is debating other individual issues. Nearly all of the outstanding issues await action in conference committee and re-passage by both the House and the Senate.

Below is a selected listing of selected outstanding issues and their status, as of May 8.

Bonding

The House omnibus bonding bill (HF3618), sponsored by Rep. Jim Knoblach (R-St. Cloud), contains \$839.1 million in bonding for 2002, \$741 million of which is general obligation bonding. The Senate version (SF3203), sponsored by Sen. Keith Langseth (DFL-Glyndon), includes \$1.2 billion in bonding.

Members of the conference committee on the bill have not officially met since late March. House conferees have taken public testimony on several occasions since April 30.

Budget

Economic forecasts for Minnesota have estimated that the state will have a \$2.3 billion deficit at the end of fiscal year 2003, which begins July 1, 2002. The Legislature passed one law (HF351*/SF264/CH220), by overriding Gov. Jesse Ventura's veto, that provides \$1.9 billion in spending cuts for the 2002-03 biennium.

Another bill (HF3270), sponsored by Rep. Kevin Goodno (R-Moorhead) and Sen. Doug Johnson (DFL-Tower), would provide the remaining \$440 million in necessary budget adjustments. It is being discussed in a conference committee, which has not officially scheduled a joint meeting since April 15. House and Senate delegations have exchanged offers, but no final decisions have been made.

In addition to budget cuts, primarily in the areas of health and human services, the bill includes a number of contested provisions, such as a Senate provision to increase both corporate and cigarette taxes and a House provision to use \$325 million in tobacco endowment funds.

In addition, members are discussing further extensions to benefits for families approaching the 60-month time limit for welfare benefits through the Minnesota Family Investment Program (MFIP). The Department of Human Services now estimates that 3,300 families will reach the limit during fiscal year 2003.

Recreation (Stadium)

Conferees debating the differences between House and Senate stadium plans have only met publicly a few times and not at all since early April. Both bills focus on providing financing for a new Minnesota Twins ballpark, however, they vary in their method.

The House bill (HF2214), sponsored by Rep. Harry Mares (R-White Bear Lake), would incorporate a proposal put forward by the Ventura administration that would use state-issued revenue bonds and a gift fund established through contributions from the team and other private sources. Sen. Dean Johnson (DFL-Willmar) is the Senate sponsor.

Safety

Two plans in response to the Sept. 11 attacks are moving through the legislative process.

The first deals with the governor's powers to declare health emergencies in the event of an attack of bioterrorism. House and Senate conferees on the bill (HF3031), sponsored by Rep. Richard Mulder (R-Ivanhoe) and Sen. John Hottinger (DFL-Mankato), have reached an agreement and the bill now returns to both the House and Senate for final approval.

The second bill (HF2622), sponsored by Rep. Rich Stanek (R-Maple Grove) and Sen. Jane Ranum (DFL-Mpls), provides \$22 million for anti-terrorism initiatives. The House plan would take money from the state's tobacco settlement to fund the initiatives, but the Senate plan would fund them by a 25-cent increase in the telephone surcharge for 911 services.

Transportation

House and Senate transportation funding and bonding proposals still remain unresolved.

The House plan (HF3364), sponsored by Rep. Bill Kuisle (R-Rochester), would allow the state to borrow \$750 million in trunk highway bonds from 2003 to 2008 for highway improvements. The Senate plan (SF2812), sponsored by Sen. Dean Johnson, would increase the gas tax from 20 to 26 cents per gallon. The additional revenue would pay for about \$5 billion in bonding for projects during a 10-year period.

House and Senate conferees met publicly several times between April 3 and April 17, but they have not resolved differences between the two plans.

Other unresolved issues, by topic

Business

- HF2989/SF3024*, sponsored by Rep. Bill Haas (R-Champlin) and Sen. Linda Scheid (DFL-Brooklyn Park), deals with a number of Department of Commerce initiatives, including a provision that would increase the maximum out-of-pocket expenses for those enrolled in health maintenance organizations. The bill awaits resolution in a conference committee.

Consumers

- HF3625/SF2908*, sponsored by House Majority Leader Tim Pawlenty (R-Eagan) and Sen. Steve Kelley (DFL-Hopkins), would require that unsolicited e-mail be marked as an advertisement in the subject line and would prohibit Internet service providers from disclosing consumer information under certain circumstances. The bill awaits action in conference committee.
- HF2710/SF3246*, sponsored by Rep. Matt Entenza (DFL-St. Paul) and Sen. Richard Cohen (DFL-St. Paul), would require the state to develop a do-not-call list for telephone solicitation and would require telemarketing firms to obtain copies of the list at their cost.

Education

- HF2598, sponsored by Rep. George Cassell (R-Alexandria) and Sen. Mady Reiter (R-Shoreview), would require students in public schools to recite the Pledge of Allegiance at least once per week. It awaits action by a conference committee.

Elections

- HF3379/SF3384*, sponsored by Rep. Jim Rhodes (R-St. Louis Park) and Sen. Hottinger, would provide several adjustments to the laws governing the state Campaign Finance and Public Disclosure Board, including a provision that would allow candidates to transfer money from one campaign fund to another, for example, if a state senator decided to run for another office and had already raised some funds for a Senate re-election campaign. A conference committee reached agreement on the bill and both the House and Senate passed the measure again. It awaits the governor's signature.

Employment

- HF3648/SF3431*, sponsored by Rep. Dan McElroy (R-Burnsville) and Sen. Ellen Anderson (DFL-St. Paul), deals with several economic development issues, including a proposal to extend unemployment benefits to employees at Farmland Foods in Albert Lea. The bill awaits action by the conference committee.

Environment

- HF3025/SF2727*, sponsored by Rep. Doug Peterson (DFL-Madison) and Sen. Don Samuelson (DFL-Brainerd), would adjust the boundaries for several state parks. It awaits action by the conference committee.
- HF2973/SF2738*, sponsored by Rep. Mark Holsten (R-Stillwater) and Sen. Leonard Price (DFL-Woodbury), would allow the Department of Natural Resources to manage chronic wasting disease, which affects the deer population. A conference committee has been appointed to negotiate an agreement.

Government

- HF3163, sponsored by Rep. Eric Lipman (R-Lake Elmo) and Sen. Don Betzold (DFL-Fridley), is the revisor's technical bill. It includes a provision that would correct a sunset date that was inadvertently omitted from the state government finance law in 2001 and some members are objecting to its inclusion now. It awaits action in a conference committee.
- HF2649/SF2448*, sponsored by Rep. Steve Smith (R-Mound) and Betzold, would allow members of the media access to motor vehicle records kept by the state if the information is related to operating a motor vehicle or public safety. The bill awaits action by a conference committee.
- HF3575/SF3208*, sponsored by Rep. Dave Bishop (R-Rochester) and Senate Majority Leader Roger Moe (DFL-Erskine), would remove same-sex domestic partner benefits from contracts negotiated between

the state and its two largest employee unions last fall. The bill awaits action by a conference committee, which was appointed in late March. The provision is also included in HF3270, the House version of the final budget-balancing measure, which also awaits conference committee action.

Health

- HF3200, sponsored by Rep. Goodno and Sen. Sheila Kiscaden (R-Rochester), would provide guest dental licenses for out-of-state professionals. The House adopted the conference committee report May 8 and re-passed the bill. It awaits further action in the Senate.
- HF2625/SF3133*, sponsored by Rep. Marty Seifert (R-Marshall) and Sen. Dan Stevens (R-Mora), would require legislative approval of any proposed rule changes to the state's Clean Indoor Air Act. An amendment added on the House floor, by Rep. Pawlenty, would prohibit the commissioner of children, families and learning from implementing any rules related to the Profile of Learning. Both the House and Senate appointed a conference committee May 8.

Transportation

- HF3203, sponsored by Rep. Kuisle and Sen. Steve Murphy (DFL-Red Wing), deals with a number of public safety and transportation issues, including a proposal to allow a motorcycle to go through red lights if it is not triggering a traffic signal sensor. The House approved a conference committee agreement on May 8 and re-passed the bill. It awaits further action in the Senate.
- HF3304/SF2433*, sponsored by Rep. John Tuma (R-Northfield) and Betzold, would make it a crime for a bus driver of special transportation buses to engage in sexual contact with riders. The bill awaits action in a conference committee.
- HF3199/SF3298*, sponsored by Rep. Kuisle and Sen. Dean Johnson, would primarily allow the state Department of Transportation to purchase land for highway projects, continue construction of the Highways 55 and 62 interchange near Fort Snelling, and be exempted from a moratorium on consulting contracts. The conference committee reached agreement and both the House and Senate voted to re-pass the bill. It awaits the governor's signature.

Others active bills not in conference committee

- HF1025, sponsored by Rep. Entenza and Sen. Cohen, would require members of the State Board of Investment, which includes the governor, to disclose income made from any non-state entities. The bill passed the House on May 1 and awaits action by the full Senate.
- HF1671, sponsored by Rep. Holsten and Sen. Bob Lessard (Ind.-Int'l Falls), would provide for a constitutional amendment on the November ballot to dedicate three-sixteenths of 1 percent of sales tax proceeds to a heritage enhancement fund for the environment. Action on the bill was delayed in the House State Government Finance Committee May 8 and may be revisited.
- HF3719/SF3463*, sponsored by Rep. Tim Finseth (R-Angus) and Sen. Murphy, would allow the state Department of Agriculture to spray areas of Minneapolis to control the spread of gypsy moths. The plan passed the Senate and awaits action by the full House.
- HF1868/SF1755*, sponsored by Rep. Greg Davids (R-Preston) and Sen. Leroy Stumpf (DFL-Thief River Falls), would call for a study of a pilot project to provide a statewide insurance plan for teachers. The House and Senate both passed the bill, which now returns to the Senate for reconsideration after the House amended it.

* denotes the version of the bill being considered

State Information Numbers

Constitutional Officers

Governor

JESSE VENTURA (IP)

Room 130
State Capitol
St. Paul 55155
(651) 296-3391
1-800-657-3717
Fax: (651) 296-0674

Lieutenant Governor

MAE SCHUNK (IP)

Room 130
State Capitol
St. Paul 55155
(651) 296-3391

Secretary of State

MARY KIFFMEYER (R)

Room 180
State Office Building
St. Paul 55155
(651) 296-2803
Election Division: (651) 215-1440
Open Appointments: (651) 297-5845
Business Information &
Uniform Commercial Code: (651) 296-2803

State Auditor

JUDITH DUTCHER (DFL)

525 Park St.
Suite 400
St. Paul 55103
(651) 296-2551

State Treasurer

CAROL JOHNSON (DFL)

303 State Administration Building
50 Sherburne Ave.
St. Paul 55155
General Information: (651) 296-7091
Treasurer's Office: (651) 282-5032

Attorney General

MIKE HATCH (DFL)

Room 102
State Capitol
St. Paul 55155
(651) 296-6196
Consumer Division: (651) 296-3353
1-800-657-3787

Minnesota State Agencies

(Area code 651)

Agriculture	297-2200
Children, Families and Learning	582-8200
Commerce	296-4026
Corrections	642-0200
Economic Security	296-3711
Toll Free	1-888-438-5627
Unemployment claims	296-3644
Employee Relations	297-1184
Job Information	296-2616
Finance	296-5900
Health	215-5800
Human Rights	296-5663
Toll Free	1-800-657-3704
Human Services	296-6117
Labor and Industry	296-6107
Military Affairs	282-4662
Natural Resources	296-6157
Public Safety	296-6642
Driver and Vehicle Services	296-6911
Fire Marshal	215-0500
Alcohol and Gambling	
Enforcement Division	296-6979
State Patrol	297-3935
Pollution Control Agency	296-6300
Public Service	296-5120
Revenue	
Taxpayer Assistance	296-3781
Trade and Economic Development	297-1291
Office of Tourism	296-5029
Transportation	296-3000
Veterans Affairs	296-2562
House Information	296-2146
Toll Free	1-800-657-3550
Senate Information	296-0504
Toll Free	1-888-234-1112

State Information <http://www.state.mn.us>
Legislative Information <http://www.leg.state.mn.us>

Joint Legislative Services

Legislative Coordinating Commission (LCC)

85 State Office Building..... (651) 296-9002

LCC Central Accounting

60 State Office Building..... (651) 296-8890

LCC Subcommittee on Rules

55 State Office Building..... (651) 296-1121

Claims (Joint Subcommittee on Claims)

85 State Office Building..... (651) 296-0099

Geographic Information Systems

(GIS) Oversight Office/Subcommittee

85 State Office Building..... (651) 296-0098

Legislative Advisory Commission (LAC)

Fourth Floor, Centennial Office Building

658 Cedar St., St. Paul 55155 (651) 296-4956

Office of the Legislative Auditor

First Floor, Centennial Office Building

658 Cedar St., St. Paul 55155 (651) 296-4708

Legislative Commission on the Economic Status of Women

85 State Office Building..... (651) 296-8590

Toll Free 1-800-657-3949

Joint Subcommittee on Employee Relations (LCC)

85 State Office Building..... (651) 296-2963

Legislative Commission on Health Care Access

309 Capitol (651) 296-4261

Legislative Commission on Minnesota Resources (LCMR)

65 State Office Building..... (651) 296-2406

Legislative Commission on Pensions & Retirement

55 State Office Building..... (651) 296-2750

Legislative Commission on Planning & Fiscal Policy

85 State Office Building..... (651) 296-9002

Iron Range Resources & Rehabilitation Board (IRRRB)

P.O. Box 441

Eveleth 55734 (218) 744-7400

Mississippi River Parkway Commission

P.O. Box 59159

Minneapolis 55459-8207 (763) 212-2560

Electric Energy Task Force

322 Capitol (651) 296-4370

Regent Candidate Advisory Council

85 State Office Building..... (651) 296-9002

Board of Trustees Candidate Advisory Council

85 State Office Building..... (651) 296-9002

Campaign Finance & Public Disclosure Board

First Floor South, Centennial Office Building (651) 296-5148

658 Cedar St., St. Paul 55155

Legislative Reference Library

645 State Office Building..... (651) 296-3398

Office of the Revisor of Statutes

700 State Office Building..... (651) 296-2868

Other Information Numbers

Federal Information **1-800-688-9889**

White House **(202) 456-1414**

1600 Pennsylvania Ave.

Washington D.C. 20500

Tracking new laws, vetoes

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 governor 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 or she must sign and deposit it with the secretary of state within 14 days after the Legislature adjourns "sine die" (Latin for adjournment "without a date certain"). 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 or 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.

Policy items contained in appropriations bills may not be line-item vetoed. In order to veto such an item, the governor is required to veto the entire bill.

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).

This information is also available on the governor's Web site (www.governor.state.mn.us). Select the "Policy" link, then click on 2002 Bill Tracking.

Key:

CH=Chapter; HF=House File; SF=Senate File

CH	HF	SF	Description	Signed	Vetoed
226	2624*	2441	Shakopee Public Utilities Commission increased from three to five members.	3/7	
227	3148*	3025	Speech-language pathologist and audiologist registration requirements modified.	3/7	
228	2992*	2865	Occupational therapist temporary licensure terms modified.	3/7	
229	3062*	2839	Hennepin and Ramsey counties juvenile court judge term limits repealed.	3/7	
230	2748	2573*	Browns Valley school year start before Labor Day.	3/13	
231	2695*	2531	Minneapolis Firefighters Relief Association retirement provisions corrections provided.	3/13	
232	58*	389	Beer kegs identification and sales requirements.	3/13	
233	3190*	3111	Juvenile court data in statewide supervision system.	3/13	
234	2783*	2671	No-fault auto insurance residual liability coverage regulated.	3/14	
235	1189*	1376	Election of municipal council members provided after annexation.	3/14	
236	1620*	2210	Orderly annexation agreements strengthened.	3/14	
237	2987*	2873	Cook County Mineral Center cemetery conveyance to Grand Portage reservation authorized.	3/14	
238	3202*	2801	Delano Public Utilities Commission increased to five members.	3/14	
239	2629*	2913	Retired professional designation for Board of Architecture, et al. licensed retirees.	3/14	
240	3309*	3082	Nursing home licensed bed lay away authorized during moratorium projects.	3/14	
241	2637*	2472	Temporary town officeholders authorized in event of inability or refusal to serve.	3/14	
242	3344*	2892	Second Judicial District combined jurisdiction program authorized.	3/14	
243	3296*	3206	State employee Social Security administrative duties transfer.	3/14	
244	1547	1495*	Omnibus agriculture policy provisions modifications.	3/15†	
245	2612*	2562	Licensed architect, et al. requirement circumstances revised.	3/15	
246	2899*	2711	Livable community demonstration account provisions modified.	3/21	
247	3584*	3302	Judgment calculation interest rate formulas modified.	3/21	
248	2813*	2803	Child care providers required to develop policies for reporting suspected child maltreatment.	3/21	
249	2766*	2475	Motor vehicle fuel franchise sale federal code compliance expiration date removed.	3/21	
250	3189*	3135	Street-sweeping vehicles defined as special mobile equipment for registration purposes.	3/21	
251	2742*	2757	State agency contested case procedures regulation provided.	3/21	
252	2531*	2381	Hospice care providers regulated, and criminal penalties imposed.	3/22	

◆ - veto overridden by the Legislature
† - Filed without signature

*The legislative bill marked with an asterisk denotes the file submitted to the governor.

CH	HF	SF	Description	Signed	Vetoed
253	3275	2932*	Citizen water quality monitoring encouraged.	3/22	
254	3133	2971*	State procurement competitive bidding for building and construction contract references codified.	3/22	
255	1097	1072*	"Grace" state photograph designation.	3/22	
256	3074	2834*	Steele County recorder appointment.	3/22	
257	3512	3258*	Garfield state land exchange.	3/22	
258	2652	2434*	Polk County recorder and auditor-treasurer appointment.	3/22	
259	2603	2627*	Optometrists and physicians contact lenses prescriptions regulated.	3/22	
260	3238	3115*	State energy efficiency installment purchases regulation provisions modified.	3/22	
261	3462	3080*	Funeral trust account provisions modified.	3/22	
262	3348	3136*	Workers' compensation provisions modified.	3/22	
263	2753	2590*	Carlton County recorder appointment authorized.	3/22	
264	2796*	2670	Minneapolis asphalt plant construction authority.	3/22	
265	2792*	2575	Appliance recycling required.	3/22	
266	3373	3045*	Fourth Judicial District domestic fatality review team pilot project extension.	3/25	
267	3362	3109*	Municipal police departments black patrol vehicles.	3/25	
268	2662	2611*	Interstate compact for adult offender supervision.	3/25	
269	1934	1030*	National crime prevention and privacy compact.	3/25	
270	94	222*	Game and fish laws gross overlimit violations penalties.	3/25	
271	2873	2578*	County human services and public health clients support programs.	3/25	
272	2993	2463*	Nurses overtime work hours regulation; border state nursing licenses reciprocity.	3/25	
273	3263	3167*	Sex offenders civil commitment determinations data access authority.	3/25	
274	1413	1226*	No-fault automobile insurance full medical expense benefits entitlement.	3/25	
275	3276	3100*	Medical assistance reimbursement for tribal health services.	3/25	
276	3291	3124*	Nursing and board care homes resident reimbursement classifications provisions modification.	3/25	
277	3245	3126*	Health care and human services programs provisions technical modifications.	3/25	
278	3061	3117*	Metropolitan Council interceptor facilities continued use determination.	3/25	
279	2600	2419*	Child care programs wading pools public swimming pools regulations exemption.	3/25	
280	197*	107	Noncommercial television station and metro bus garage grant provided.		3/27◆
281	2678	2768*	Medical assistance demonstration project provisions modified.	3/26	
282	3579	3073*	Domestic abuse order for protection or no contact order misdemeanor violations standards clarified.	3/26	
283	2570*	2553	Automobile insurance damaged window glass claims payment basis modified.		3/26◆
284	3274*	3068	Military active service protections.	3/26	
285	2882*	3122	Electric personal assistive mobility device and roadway and sidewalk regulations.	3/26	
286	3078	2821*	Real estate brokers and salespersons regulatory provisions modifications.	3/26	
287	2664	2459*	Supplemental nursing services agencies registration criteria expansion.	3/26	
288	1885	2115*	Motor vehicle dealers surety bond requirements clarification.	3/26	
289	3091	2764*	Mentally retarded persons incidents and emergencies reporting standards modification.	3/26	
290	2932	2614*	Foster care placement communicable diseases disclosure requirement.	3/26	
291	3080	3055*	Metropolitan transit police provisions modifications.	3/26	
292	2757	2692*	Human services licensure.	3/26	
293	2889	2933*	Individual sewage treatment systems installation.	3/26	
294	2635	2550*	Special education services costs reimbursement.	3/26	
295	3222	2953*	Fire insurance excess coverage prohibitions.	3/26	
296	2933	2546*	Rockville and Pleasant Lake consolidation plan joint development required.	3/26	
297	2884*	2715	Motor vehicle excessive gross weight civil fine imposition modified.	3/26	
298	3196*	2966	State procurement law ethical provisions clarified.	3/26	
299	3205	2890*	Public works contracts regulated.	3/27	
300	3223	2793*	Out-of-state facilities for children with severe emotional disturbance certification plan required.	3/27	
301	2842	3244*	Evidentiary laboratory blood sample reports electronic signatures.	3/27	
302	3224	3034*	Hennepin County Medical Center cooperative purchasing authority.	3/27	
303	3240	2814*	Electronic voting authorized for cooperatives.	3/27	
304	2596	2673*	Child custody provided for by de facto custodians and third parties.	3/27	
305	3328	3278*	Driver's education organ and tissue donation instructions.	3/27	
306	3079	2697*	Real estate transactions disclosure requirements.	4/1	
307	3492	3315*	Insurance provisions modification; medical malpractice insurance joint underwriting assoc. issuance prohibition.	4/1	
308	3221	3145*	Military justice code revisions.	4/1	

CH	HF	SF	Description	Signed	Vetoed
309	3506	3084*	State and local government units auditing and reporting requirements modifications.		4/1
310	1224*	887	Medical response unit registration provided.	4/1	
311	2785	2542*	Business and nonprofit corporations and limited liability companies regulation provisions modifications.	4/1	
312	3519	2675*	State agencies required to use cleaner fuels.	4/4	
313	2647	2569*	Federal tax rebates not considered means of support relating to veterans home discretionary admission.	4/4	
314	2840	2580*	Criminal prosecution estoppel provisions modified.	4/4	
315	3169	2881*	Housing; municipal low-income housing authority specified.	4/5	
316	3076	2612*	Funeral procession escort private vehicle authorized to use flashing red lights.	4/5	
317	3029	2680*	Energy building code requirements changed in certain instances.	4/5	
318	3058	2739*	Cities additional liquor licenses; hotel rooms liquor cabinets hours of sale restrictions exemption.	4/5	
319	2706*	3076	Obstruction of emergency vehicle during emergency duty misdemeanor penalty provided.	4/5	
320	3030	3322*	Metropolitan Council existing service capacity external use provided.	4/8	
321	3034	2949*	Background check public criminal history data expanded.	4/8	
322	2841	2533*	Criminal offenders county correctional services costs payment.	4/8	
323	2684	2678*	Natural Resources Department provisions modifications.	4/8	
324	3432	3352*	Dry cleaner environmental response and reimbursement.	4/8	
325	3209	3054*	Petrofund consultant and contractor registration period modifications.	4/8	
326	3464	3174*	Money Transmitter Act small business category created.	4/8	
327	1763	1811*	Public drainage systems jurisdiction transfer.	4/8	
328	1683	2150*	Technology circuits or systems contractors and power limited technicians.	4/8	
329	3125*	2987	Telecommunications access for communication-impaired persons program renamed.	4/8	
330	2988*	3023	Insurance licenses, fees, and coverages regulated; health care administration simplified.	4/8	
331	3497	3015*	Commerce Department insurance fraud prevention; crime of employment of runners.	4/10	
332	2719*	2827	Uniform Athlete Agents Act providing student athlete agent registration adopted.	4/10	
333	1517*	1443	Swimming pool requirements established for family day care homes.	4/12	
334	2835	3028*	National and community service commission nonprofit corporation creation.	4/12	
335	2735	2457*	Civil commitment standards modifications; mental health system report.	4/16	
336	2763	2592*	Mutual insurance holding companies reorganization to stock companies.	4/16	
337	3537	3288*	Firefighters interest arbitration decision provision expiration date extension under PELRA.	4/16	
338	3455	3380*	Postnuptial contracts provisions modifications.	4/16	
339	2751	2650*	Credit unions regulation provisions modifications.	4/16	
340	3445	3238*	Nonprofit neighborhood organization members directors election, voting right notice option.	4/16	
341	3193	2957*	Dentist practice violations reporting requirements.	4/17	
342	3257	2988*	Financial institutions detached facilities, charges and fees, and mortgage prepayment penalties regulated.	4/17	
343	2687	3075*	Motor vehicle sales tax payment for sales in violation of dealer licensing requirements.	4/17	
344	3393	3114*	Child support obligors limited driver's licenses and payment agreements.	4/17	
345	1524	1555*	Fertilizer use regulated.	4/19	
346	2935	2909*	Health maintenance organizations rural demonstration project authorized.	4/19	
347	2657	2540*	Probate property succession provisions modified.	4/19	
348	3048	2460*	Criminal penalties for persons who take responsibility for criminal acts provided.	4/24	
349	2473*	2807	Darlene Luther Anatomical Gift Act specifying intent and consent requirements.	4/24	
350	2525	2960*	Certain fireworks legalized; unpaid volunteer firefighting leave.	4/29	
351	2920	2674*	Omnibus game, fish, and forest bill provisions modifications.	4/29	
352	2618*	3373	Personnel not public data sharing authority.	5/1	
353	1359	2125*	Wildlife management areas land additions and ATV use regulations.	5/1	
354	3249	2998*	Certain alcohol and drug counselors licensing requirements waived.	5/1	
355	2970*	3010	Recreational motor vehicles use provisions modification.	5/1	
356	3509	3257*	Housing and redevelopment authority officers grant or loan eligibility.	5/1	
357	2492	2363*	Homeowners and automobile insurers credit scoring use restriction and regulation.	5/1	
358	2995	3168*	Walker authorized to maintain and operate state water tower at Ah-Gwah-Ching.	5/1	
359	2906	2568*	Hennepin County parking facilities and real property leases provisions modification and repeal.	5/3	
360	3443	3200*	Nonprofit environmental learning center insurance coverages regulated.	5/8	
361	3346	3026*	Interstate telemedicine services regulation.	5/8	
362	3359*	3005	Nurses protocol modifications.	5/8	
363	3379	3384*	Campaign finance and public disclosure law provisions modified.	5/9	
364	3199	3298*	Transportation provisions modifications.	5/9	

Monday, May 6

HF3721—Westrom (R)
Environment & Natural Resources Policy
Aquaculture license review and assessment required.

Wednesday, May 8

HF3722—Abrams (R)
Rules & Legislative Administration
Unicameral legislature adopted consisting of 134 members, and constitutional amendment proposed.

HF3723—Davids (R)
Commerce, Jobs & Economic Development Policy
Insurers prohibited from charging membership fees or dues.

HF3724—Evans (DFL)
Governmental Operations & Veterans Affairs Policy
Governor's mansion operation and maintenance appropriations required to be made through the Department of Administration.

Thursday, May 9

HF3725—Vandever (R)
Jobs & Economic Development Finance
Local consolidation aid grant provided, and money appropriated.

HF3726—Clark, K. (DFL)
Crime Prevention
DWI vehicle forfeiture judicial review rights notice required in Somali language.

COMMITTEE SCHEDULE

MAY 13 - 17, 2002

MONDAY, May 13

8 a.m.

HF2903/SF2486 Conference Committee
Radiation therapy facilities major spending commitments prospective review and approval; review and approval process evaluation.
125 State Capitol
Chrs. Rep. Kevin Goodno, Sen. Don Samuelson

9 a.m.

Legislative Commission on the Economic Status of Women
500S State Office Building
Chr. Rep. Barb Sykora
Agenda: Interim planning.

11:30 a.m.

RULES & LEGISLATIVE ADMINISTRATION
5 State Office Building
Chr. Rep. Tim Pawlenty
Agenda: SF3154/HF3206 (McElroy) A bill for an act relating to occupational safety and health; eliminating certain responsibilities of the commissioner of health; increasing penalty limits for certain violations.
HF3722 (Abrams) A bill for an act proposing an amendment to the Minnesota Constitution to provide for a unicameral legislature.

1 p.m.

THE HOUSE MEETS IN SESSION.

TUESDAY, May 14 - FRIDAY, May 17

No meetings have been announced.

Frequently called numbers

(Area code 651)

Information, House
175 State Office Building 296-2146
Toll free 1-800-657-3550
TTY, House 296-9896
Toll free 1-800-657-3550
Chief Clerk of the House
211 Capitol 296-2314
Index, House
211 Capitol 296-6646
Sergeant-at-Arms, House
45 State Office Building 296-4860
Committee Hotline, House 296-9283

Information, Senate
231 Capitol 296-0504
Toll free 1-888-234-1112
TTY, Senate 296-0250
Toll free 1-888-234-1112
Secretary of the Senate
231 Capitol 296-2343
Voice mail/order bills 296-2343
Index, Senate
110 Capitol 296-5560
Sergeant-at-Arms, Senate
Senate Chamber 296-7514/296-1119

Committee Hotline, Senate 296-8088
Legislative Reference Library
645 State Office Building 296-3398
Governor's Office
130 Capitol 296-3391
Attorney General's Office
102 Capitol 296-6196
Secretary of State's Office
180 State Office Building 296-2803
Capitol Security
B-5 Capitol 296-6741
Emergency 296-2100

Continued from page 10

to \$434 million by the end of December 2001.

The fund sat at \$294 million on April 20 of this year, as reported by the department, which administers unemployment insurance programs. The amount does not include first quarter revenues for 2002, which are projected to be about \$140 million.

The fund total includes a recent \$163 million one-time payment from the federal government. In March all states received a percentage of \$8 billion in excess federal unemployment taxes, which is not related to the 13-week benefit extension.

A study by the Office of the Legislative Auditor, published in January 2002, was conducted to evaluate the adequacy of the financing system for unemployment insurance. It predicted that "even a mild recession could deplete the fund balance."

A fund balance of \$700 million might sound healthy to some, but it pales in comparison to other states. In June 2001, only five other states had lower reserve ratios, according to the report.

There is no crisis if the fund zeros out, but there is a price. The federal government can provide states with loans to continue the payment of benefits, on an interest rate of 6.3 percent. The state last borrowed in 1984, and was in borrowing status for several years in the 1970s.

"The fund will likely go into deficit status around the end of the (calendar) year," said Lee Nelson, legal affairs director for the Department of Economic Security. "We're paying out a little bit more than predicted on a weekly basis."

The state paid out \$23 million in benefits in the week ending April 20, 2002.

Minnesota employers could pay up to \$50 million in interest costs "as a result of a mild recession like that experienced during the early 1990s," the report said. Nelson pointed out that the fund is held at the federal government and earns 6.3 percent interest when it has a positive balance.

House and Senate conferees might be close to compromising on a provision that would temporarily raise the base tax rate to businesses several tenths of a percent, from 0.1 to 0.38, to help rebuild the fund.

If enacted, the extra tax would be in effect for 2003 only, which means the department would begin collecting the tax in January, and it would not be available for disbursement until the second quarter of the year.

Rep. Bob Gunther (R-Fairmont) said he is hoping the fund will stay in the black until the proposed legislation would take effect. "The federal \$163 million could keep the fund solvent until 0.38 takes effect." 🐸

Continued from page 14

Rep. William Kuisle (R-Rochester), sponsor of the current House transportation finance bill (HF3364), said he would be leery of the system for several reasons.

Aside from privacy concerns, there are still many questions about how the system would work, how much money it would generate, and if there would be balance between Greater Minnesota and Twin Cities metropolitan area expenses, he said.

"People out in rural Minnesota, where they do a lot of driving, are probably going to frown on it," Kuisle said.

The demise of the gas tax is also uncertain, he said.

"The gas tax has been predicted to be in trouble since the 70s," he said.

Still, the new technology is worth studying, he added.

"I'm not sure this is the answer, but we always have to be willing to look at new ways of doing things." 🐸



High-tech tallies

Legislators in Arizona chambers sport new voting system, along with video, DVD, and presentation equipment

Arizona lawmakers last year approved bringing their old trouble-ridden voting systems into the 21st century by replacing them with a new state of the art computerized voting systems.

In addition to the new voting systems, both chambers now have a large screen that drops down from the ceiling of the chambers, allowing members to view vote tallies, DVDs, videos, and computer presentations from their desks.

Senators had been troubled by their old voting system, which was built in the 1980s and often didn't work correctly, meaning Senate staff had to tabulate votes for the 30 members by voice vote.

The new computerized system turns

member's names green or red to indicate a yes or no vote, and leaves a name yellow if a member hasn't yet voted.

The previous system was so outdated that only one company in Washington, D.C. had employees who knew how to maintain it, meaning costly repair bills for the Senate.

In the House chamber, an outdated and unreliable voting system caused similar frustrations.

In response, the 60 House members approved a plan last year to replace the old system with a new computerized one.

Despite a special session that lasted until late December, the system was up

and running in time for the new session that began less than one month later.

While House members appreciate the new equipment, the simple pleasures are not overlooked either. According to the company that installed the new voting system in the House, members have commented on how cool the new backlit voting buttons look when the chamber lights are dimmed.

The Minnesota House still uses a simple red-green voting system that was initially installed in 1939. At the time, it was the first electronically tabulated voting board of its kind.

(L. HILTON)

Minnesota Memorials



Gov. Knute Nelson

He was the first foreign-born governor of the state and his statue is close to the office he once occupied.

Gov. Knute Nelson's is one of two memorials on the south steps of the State Capitol. Former Gov. John A. Johnson's is the other.

Nelson was born in Norway in 1849 and sailed to the United States six years later, settling briefly in Chicago before his family moved to Wisconsin.

A Civil War veteran with the Wisconsin Volunteer Infantry, Nelson was wounded and taken prisoner in Louisiana in 1863. Following the war, Nelson finished his schooling, was admitted to the bar, and began to practice in Cambridge, Wis.

His political career began with a two-year stint in the Wisconsin assembly in 1868-69. After moving to Alexandria, Minn., in 1871, Nelson was elected to the Minnesota Senate in 1874. He served for four years.

Nelson, a member of the University of Minnesota Board of Regents from 1882-1893, went to Washington D.C. in 1883 as a Republican member of the U.S. House of Representatives, but after three terms he decided to return to Minnesota.

However, his political career was far from over as Nelson was elected governor in 1892 and re-elected in 1894. He resigned from the position in Jan. 31, 1895 to run for the U.S. Senate. He served there for 28 years, until his death aboard a train near Timonium, Md. on April 28, 1923 on his way home to Minnesota. He stands as the longest serving Minnesotan in the U.S. Senate.

In Washington, Nelson frequently went against traditional Republicans, as he favored antitrust and income tax legislation. He was also a key player in the formation of the departments of Commerce and Labor.

Sculpted by John K. Daniels, and dedicated in 1928, the statue features Nelson as a statesman surrounded by figures that show him as a child with his mother and as a Civil War soldier.

(M. Cook)

Reflections

Horses are agile, strong, and intelligent, and they played a major role in the growth of Minnesota.

Early in the state's history horses pulled wagons full of pioneers and homesteaders across rugged land to settle in the territory. Later, they were used alongside oxen to haul cartloads of harvested crops or take goods to distant markets, drag logs down to the river for lumber mills downstream, or were harnessed to a carriage for transportation purposes. In the 1880s, horses were hooked up as the power source to pull streetcars around town.

In fact, the term "workhorse" is an outgrowth of how the animals were used, such as in the hauling of stones and lumber by pulley to the upper levels of the building.

When the State Capitol was completed in 1905, most people arrived at the seat of government by horseback, horse and buggy, or streetcar.

Capitol architect Cass Gilbert provided for an arrival and departure area for horse carriages beneath the south steps that is free from inclement weather. Dignitaries and other visitors only had to take a few strides from there to enter the building.

During the early 1900s, when horse racing was at its peak, many national figures came to see Gilbert's new and magnificent building and to speak at the state fair. Thousands of people listened to famous people talk at the fair, but more went to see racing and exhibitions performed by renowned horses of the day, including the legendary Dan Patch.

Not counting the four horses of the Capitol's Golden Quadriga, Dan Patch is likely the most remembered horse in Minnesota.

Born in Oxford, Indiana in 1896, the horse gained his fame as a champion harness racer across the country. He is still

honored in his home city by the annual "Dan Patch Days." The Indiana Legislature also passed a resolution to rename a state road for the racer, much like the Minnesota State Fair's main street, which is aptly named Dan Patch Avenue.

Joe Patchen, a well-known racehorse, sired Dan Patch, but Patch's owner, Dan Messner, thought the crooked-legged foal would be destined to pull a milk wagon. That was before a local stable owner nurtured the colt

with patience and fortitude.

Dan Patch began to show racing promise as a three-year-old. As a four-year-old, he won so many harness races that other owners refused to have their horses compete against him. By July 1902, he had won 54 of 56 races.

Later that year the horse was purchased by Marion Willis Savage of Hamilton, Minn., who made him the most popular horse in the country, primarily through a series of exhibition races where he raced against the clock. The town of Hamilton was renamed Savage in 1904.

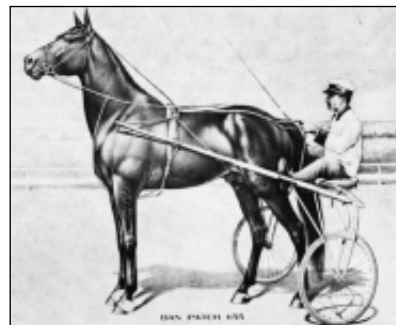
In his heyday, the horse's image was used to promote different products — from tobacco to washing machines — that national companies named after him. He also helped make the Minnesota State Fair one of the best attended in the country with his appearances as a main attraction.

His gentle personality attracted people. According to his owner, Dan Patch understood the attention adults and children gave him and he honored them by winning races and always pacing "with head held high, and in a most dignified manner."

Dan Patch died in 1916 at age 20, and his owner passed away the next day at age 57.

—LECLAIR GRIER LAMBERT

Illustration courtesy of the Minnesota Historical Society



Dan Patch in 1904.

SPEAKER OF THE HOUSE: STEVE SVIGGUM
MAJORITY LEADER: TIM PAWLENTY
MINORITY LEADER: THOMAS W. PUGH

MINNESOTA INDEX

Manufacturing and exports

Number of Minnesotans employed in manufacturing in 2001	423,480
In 2000	439,890
Percent growth in manufacturing jobs from 1991 through 2000	11.1
Employment decrease in the three largest high-tech manufacturing industries in 2001	4,400
Jobs lost between 2000 and 2001 in industrial machinery (including computers) and electronic equipment industries, each	3,100
State manufacturing exports in 2001, in billions of dollars	9.7
State rank	20
As percent increase from 2000	2.4
Percentage decrease of U.S. exports in the same period	7.2
State manufacturing exports in 1995, in billions of dollars	8.2
In 1990	5.9
Percentage increase in Minnesota manufacturing exports in the first quarter of 2001 versus one year prior	7.3
Nationally	4.8
Percentage decrease in Minnesota manufacturing exports in the fourth quarter of 2001	3.7
Nationally	16.1
Dollar value of exports to Minnesota's top 10 markets in 2001, in billions	6.9
Percentage increase from 2000	7.5
As percent of total manufactured exports	71
Billions of dollars in Minnesota exports to the Asia-Pacific region, in 2001	3.4
As percent of all state manufactured exports	35
Growth to that region in 2001, as percent	0.9
U.S. sales percentage decline to the Asia-Pacific region in 2001	11
Minnesota manufacturing exports to the second-largest destination (European Union), in billions of dollars	3
State percentage increase in 2001	3.4
U.S. exports percentage decrease to the area	4.1
Largest amount of Minnesota export sales to another country (Canada), in billions of dollars in 2001	2.32
Percentage increase from 2000	2.1
Second largest (Japan), in millions of dollars	996
Percent increase in Minnesota export sales to Ireland (not including Northern Ireland) from 2000 to 2001	59
Dollar value, in millions	647
U.S. percentage decrease	7.1

Sources: 2001 Annual Export Statistics and 2000 Annual Export Statistics, Minnesota Department of Trade and Economic Development, April 2002 and July 2001; www.mntransition.org; Minnesota Department of Economic Security.

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