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In this issue:

BUDGET BALANCING PLAN

GAS TAX INCREASE PITCHED, AND MORE

HF3434-HF3606

Session Weekly

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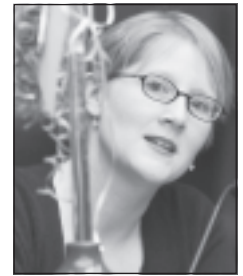
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On the cover: A light dusting of snow fell on the Capitol complex Feb. 20.

—Photo by Andrew Von Bank

Budget balance

House approves plan that features spending reductions and uses state reserves and transfers

By DAVID MAEDA

In his state of the state address, Gov. Jesse Ventura challenged lawmakers to take quick action on the state's budget deficit. Four weeks into the session, House and Senate members reached an agreement to deal with the shortfall for the current biennium.

The House passed the bill Feb. 21 by a 76-56 vote.

The Department of Finance's November forecast projected a \$1.95 billion deficit for fiscal years 2002-2003. The estimated deficit for the following biennium is \$1.2 billion.

The bill (HF351*/SF254) uses a combination

does allow schools to levy up to \$18 million for integration aid in 2005.

"I'm working under the assumption that this bill will become law," Sen. Doug Johnson (DFL-Tower) said during a Feb. 20 conference committee meeting. He co-chaired the committee with Rep. Rich Stanek (R-Maple Grove).

But Ventura indicated that he wanted the Legislature to deal with the entire deficit, and a solution that does not address the projected deficit for the next biennium may draw the governor's veto.

Under the measure, the area of human

empt from the hiring freeze. Officials estimate the freeze would save about \$40 million.

The bill would require the governor to reduce planned expenditures for professional or technical service contracts by at least \$35 million for the current biennium.

It also prohibits future budget forecasts from including an allowance for inflation — an area of contention with the Ventura administration and House DFL members.

Rep. Rob Leighton (DFL-Austin) said the proposal doesn't take into account an inflation estimate for 2004-2005 of about \$1.1 million.

"This is a fraud. This is a gimmick. This is an insult to the people of Minnesota," he said on the House floor Feb. 21.

Not taking inflation into account would lead to further cuts in education, said Rep. Betty Folliard (DFL-Hopkins).

"You can't legislate away inflation," she said. "This bill creates more problems than it solves."

"We're sliding backwards, we're moving backwards, and we are maybe even falling backwards into a mediocre Minnesota," Rep. Margaret Anderson Kelliher (DFL-Mpls) said of the bill.

But House Majority Leader Tim Pawlenty (R-Eagan) responded by saying that the House DFL caucus hasn't yet proposed an alternative plan.

"To be problem solvers you've got to be able to stand up and say how you're going to solve the problem," he said. "Is this a great process? No. Is this a great result? No. Is this what we all wanted? Absolutely not."

DFL members were also critical of K-12 education portions of the plan, an area of government House leaders had said they would avoid cutting at the beginning of the 2002 session.

The bill includes a statement of intent for future deficits with a provision that says, "All budget reductions should be made with an emphasis on cutting administration and overhead expenses, and with as little impact as possible on programs and services."

The next budget forecast is due out at the end of this month. It will indicate whether the state's projected deficit has increased or decreased since November.

The Senate passed the plan 57-8 on Feb. 20. It now awaits the governor's signature.

The following are some highlights of the budget balancing plan.



PHOTOS BY TOM OLMSCHIED

House Speaker Steve Sviggum, at microphones, is surrounded by members of the House, Senate, the press and lobbyists at a Feb. 19 news conference as he announces an agreement between the House and Senate on a bipartisan budget-balancing proposal.

of \$1.4 billion in various state reserves and transfers from other funds into the general fund, a one-year delay of a provision from last year's omnibus tax bill, \$373 million in permanent spending reductions, and \$131 million in one-time spending cuts. The bill also provides for \$720 million in reductions in state agency base budgets for the next biennium.

The measure includes no tax increases but

services would receive the largest decrease in funding at \$95.9 million. Higher education is second at \$50 million, followed by state agencies at \$41.9 million.

State agencies and the Legislature would be prohibited from hiring any permanent or temporary employees before July 1, 2003. However, the Minnesota State Colleges and Universities (MnSCU) system would be ex-



Rep. Tom Bakk looks over figures as House and Senate committee fiscal analysts address the budget resolution conference committee Feb. 20.

Agriculture and rural development

The Department of Agriculture's budget would be reduced by \$879,000 this biennium and \$1.66 million in the 2004-2005 biennium.

Ethanol producer payments would remain at 20 cents per gallon through fiscal year 2004. The payments would be reduced to 19 cents in the following years.

Rep. Bob Ness (R-Dassel), chair of the House Agriculture and Rural Development Finance Committee, said he remains committed to restoring a 1 cent reduction in the future, if at all possible.

Total agriculture adjustments would be \$2.7 million for 2002-03. The governor recommended \$12.6 million in cuts for the biennium.

Economic development

Economic development general fund initiatives would be reduced by \$7 million. Rep. Bob Gunther (R-Fairmont) said an effort was made not to harm affordable housing programs. The Minnesota Housing Finance Agency's base budget would be reduced by \$216,000 this biennium, and \$1.3 million in 2004-2005.

The bill would postpone the merger between the Department of Economic Security and the Department of Trade and Economic Development, scheduled to occur July 1, 2002, for one year.

The governor's proposal to eliminate the cosmetology enforcement unit in the Department of Commerce was not included in the bill. Ventura recommended \$35 million in general fund cuts for 2002-03.

Environment

General fund reductions would total \$14.3 million under the measure, but some of the cuts would be offset by transfers from other funds. For example, the budget for the Office of Environmental Assistance would be cut \$2 million from the general fund in 2002 but would receive \$1.5 million from the solid waste fund the following year.

The Department of Natural Resources

Continued on page 22



Claiming the land

U.S. government, American Indians negotiated for much of Minnesota more than 150 years ago

In 1855 an unidentified member of the Ojibwe tribe described the way the government took American Indian land for pennies on the dollar as "Giving so much for so little."

Such was the way things were before and shortly after Minnesota became a state.

According to the Minnesota Historical Society's Treaty Story, the first white settlers to visit the state in the 1700s were fur traders looking to do business with members of the Sioux, Chippewa, and Winnebago tribes. They had no interest in owning the land.

Explorers from Europe later charted the area on their maps and laid claim to the land. But the American Indians did not think of land as something to be owned.

With pressure mounting, the American Indians began to accept money, goods, and services from the government in exchange for their land, with the stipulation it would be used for specific purposes.

When Minnesota became a state in 1858 almost all land owned by the Indians belonged to the government, which made it available to white settlers.

The first land to be ceded was 100,000 acres where the Minnesota and Mississippi rivers meet. Included in that land is where Minneapolis and St. Paul now stand. The Dakota tribe was paid \$2,000 for land valued at 100 times that much by Lt. Zebulon Pike, who negotiated on behalf of the government. Fort Snelling was built on the site in 1820.

Part of the problem was that the American Indians did not know English and relied on interpreters paid by the government.

Further aiding government negotiations was the Prairie du Chien Treaty in 1825. The agreement with eight tribes set the boundaries for tribal land, even though the natives did not agree.

"The lands I claim are mine and the nations here know it is not only claimed by us but by our Brothers the Sac and Fox, Menominees, Iowas, Mahas, and Sioux," said Caramonee, a Ho Chunk tribal leader.

"It would be difficult to divide it. It belongs as much to one as to the other."

A dozen years later, the Ojibwe and Dakota tribes ceded land in central and east-central Minnesota. The Ojibwes received cash, annuities, and the payment of claims made by traders. The Dakota people earned \$15,000 for land valued at about \$1.6 million.

Once the land was acquired white settlers began to come to the territory to farm and start businesses.

Ten years later the Ojibwe received \$17,000 for land in central Minnesota, plus the promise of \$1,000 per year for 46 years.

The government got its largest piece of Minnesota — roughly all points southwest of a line from Moorhead to nearly the southeast corner of the

state — in 1851 with the treaties of Mendota and Traverse des Sioux.

Again the American Indians on those lands, the Dakota, were shortchanged. Ceded for about 7.5 cents an acre, the government sold it to settlers for \$1.25 per acre.

The Dakota were allowed to live on land previously set aside for reservations along the Minnesota River, until the land was needed for settlers. Some was ceded in June 1858 for about 5 percent of its value. When they were paid two years later most of the money went to debts claimed by traders.

Four years later a war between the tribe and settlers broke out for the strip of land south of the Minnesota River. Thirty-eight Indians were ultimately executed for their participation and another 265 were sent to prison in Iowa or reservations in South Dakota and Nebraska.

In 1863 the Dakota tribe was forced to give up their remaining land, and the government cancelled all treaties with the tribe.

Congress ended the practice of making treaties with American Indian nations in 1871, but past treaties remained.

(M. Cook)



Dakota Indian treaty delegation in Washington, D.C., 1858.

Photo courtesy of the Minnesota Historical Society

Editor's Note: House and Senate leadership announced a budget deal had been negotiated late in the afternoon Feb. 19. The resulting legislation was accelerated through the process, containing information that encompasses all funding areas of state government, potentially making separate omnibus funding bills unnecessary. However, given the possibility that the governor may veto the plan and there may not be enough votes to override any veto in both the House and the Senate, we have decided to include stories about initial budget conversations that have taken place in House committees.

We have also determined that including the testimony about budget cuts is valuable to understanding the issues involved. We hope readers also find this information useful.

★ AGRICULTURE

Limiting lagoons

The state would continue a moratorium on open-air swine waste lagoons made of mud or clay under a bill approved Feb. 15 by the House Agriculture Policy Committee.

In 1998, the Legislature passed a temporary law restricting the lagoons. The ban aims to limit water pollution and foul odors.

Rep. Gary Kubly (DFL-Granite Falls) said he's received more than 700 complaints on feedlots in his district. He hopes that a bill (HF3207) he is sponsoring would "allow people to live together with more equanimity."

The ban would exempt lagoons constructed with concrete.

A similar measure, HF2965, sponsored by Rep. William Kuisle (R-Rochester) also cleared the committee. Besides exempting feedlot owners from liability if vandals pollute waters on their property, the bill would bar the state or counties from issuing permits for open-air swine manure lagoons unless the lagoon holds less than 1 million gallons. The ban would expire in 2007.

Both bills were referred to the House Environment and Natural Resources Policy Committee.

Tom Dunnwald, representing Clean Water Action, said hog producers don't stand to lose financially under the ban. He said most farmers use manure pits located under their barns.

But Rep. Dan Dorman (R-Albert Lea) questioned whether it would be better to leave the permit issue to local officials.

Putting the issue into a broader context, Rep. Bob Ness (R-Dassel) said small producers face a disproportionate share of the state's pollution control regulations. He said people in the Twin Cities metropolitan area throw

away large amounts of garbage that end up in landfills, arguing that agricultural waste produced in rural areas pales in comparison.

"The big guys get off scot-free," Ness said.

Rep. Torrey Westrom (R-Elbow Lake) successfully tacked on an amendment to HF3207 that would limit who could request an environmental assessment worksheet on a proposed agriculture project.

Anyone can now sign a petition to call on the appropriate government authority to study a feedlot project's potential effect on the environment. Westrom's amendment would require that the petition contain 25 signatures from residents or landowners in the area. Petitioners would be required to have property in the county or within five miles of the proposed agriculture project.

Westrom said the amendment would prevent out-of-state or Twin Cities metropolitan area petitioners from swooping in and challenging the expansion of feedlots or other animal agriculture projects in Greater Minnesota.

Earning more money

Under current law, Minnesota farmers who peddle jams or baked goods at local farmers' markets or other community events can only pocket \$1,000 during the year.

The limit would increase to \$5,000, under a bill backed by the House Agriculture Policy Committee on Feb. 20.

"We have to do all we can to support our family farmers," said Rep. Leslie Schumacher (DFL-Princeton), the sponsor of HF3406. "It's a common sense bill."

Daniel Whitcomb, vice chairman of the Minnesota Farmer's Market Association, testified in support of the bill. He said customers, particularly those in suburban and urban parts of the state, are increasingly purchasing homemade products at the markets.

For show-and-tell, Whitcomb held up a jam made from Minnesota blueberries and lingonberries and a jar of apple butter.

However, Kevin Elfering, who supervises the dairy and food inspection division of the Department of Agriculture, objected to the measure on grounds that it would make it more difficult for the state to guard against the spread of food-borne pathogens such as salmonella.

Elfering said the department compromised on the \$1,000 limit when the legislation was first drafted regarding the farmer's markets.

"These homes are not inspected," Elfering said. "Some of the conditions in these homes are atrocious."

Rep. Gary Kubly (DFL-Granite Falls) said the debate over the farmers' market goods reminded him of the dispute over hotdishes. In 2000, the Legislature voted to stop regulating food handling at public potlucks.

"I think we're straining over gnats here," Kubly said.

Kubly also called into question whether the food purchased at farmers' markets posed a greater risk than items ordered at a restaurant.

Elfering, in turn, said most of the major food-borne disease outbreaks investigated by the state have been linked to food prepared at private homes.

The bill now goes to the House floor.

Spending reduction plan

The House Agriculture and Rural Development Finance Committee approved a bill Feb. 14 that would trim \$3.5 million from agriculture programs for 2002 and 2003.

It also cuts \$3 million in agriculture spending the following two years.

Sponsored by Committee Chair Rep. Bob Ness (R-Dassel), HF3157 eliminates \$175,000 in annual state grants to agriculture information centers. The state's five centers provide farming communities with a number of resources, including financial advice.

"It's farmers helping farmers," said Garnette Hanson, who works at the Thief River Falls area agriculture center.

Testifying earlier in the week, Hanson called on the committee to safeguard the centers from budget cuts.

Rep. Doug Peterson (DFL-Madison) moved to strike the cut from the spending bill, but the motion failed.

Ness also proposed cutting a methane digester loan program, but the other members of the committee voted against the idea. The loan program subsidizes state farmers who purchase technology to use manure to produce electricity.

The committee approved a number of amendments to the bill, including a measure that calls on the University of Minnesota Extension Service to place less emphasis on "economic and human development and community programs" in favor of more traditional agriculture programs.

University officials have objected to the amendment, arguing it would limit the extension service's scope.

An amendment sponsored by Rep. Al Juhnke (DFL-Willmar) also was approved. It directs the commissioners of administration and agriculture to develop a plan to relocate administrative offices in the Twin Cities metropolitan area to Greater Minnesota. The amendment would not affect plans for the new St. Paul Public Health Laboratory building.

"Before we start another \$250 million construction project, we should look to see what we have out in rural Minnesota first," Juhnke said. "The tracks don't always run toward the Twin Cities."

Juhnke predicted that the cost savings from moving offices to rural Minnesota versus new construction would likely pay for the targeted spending cuts.

Kath Ouska, assistant commissioner with the Department of Administration, challenged the amendment. She said some construction projects in rural Minnesota have been more expensive than ones in the Twin Cities metropolitan area.

Some committee members said Greater Minnesota has a number of vacant state buildings that could be used to house administrative offices with minimal relocation costs.

The bill now goes to the House Ways and Means Committee.

★ ARTS

Auditorium planning

Slimming down the initial request, Rep. Tom Osthoff (DFL-St. Paul) is sponsoring a bill that would grant \$7 million to plan the new Roy Wilkins Auditorium instead of \$70 million for planning and construction.

Because of the current economic recession, Osthoff said he has decided to wait until 2004 to request funds for building the new auditorium in St. Paul. By then, he said a goal of \$38.5 million in private contributions should be in place, money that will fuel matching grants.

Osthoff presented his bill (HF2962) to the House Jobs and Economic Development Finance Committee Feb. 20. The committee will consider the proposal for inclusion in its omnibus bill.

Minnesota lost 17 conventions worth \$29 million in economic impact in 1999 and 2000, losses bill proponents say were due in part to the lack of first-class facilities at the Roy Wilkins Auditorium. Problems with the facility include asbestos insulation and no wheelchair access to bathrooms or the auditorium itself.

A new auditorium would fill a specific niche market, Osthoff said, attracting medium-sized shows, such as national Broadway

performances. It would not be in direct competition with other venues, like the Northrop Auditorium at the University of Minnesota's Minneapolis campus, or the Orpheum and State theaters in downtown Minneapolis, he said.

The new facility would be sandwiched between the Xcel Energy Center, RiverCentre, and the Ordway Theater. The Ordway already has a capital fundraising campaign for a new Roy Wilkins Auditorium, and plans to expand its educational shows in the exhibit space of the facility.

Dick Zehring, chair of the RiverCentre Board, said a new auditorium would bring in more than \$36 million in additional spending annually, and more than \$3 million in additional tax revenue.

A new Roy Wilkins Auditorium would feature:

- 6,000 theater-quality seats;
- high-tech audio/visual;
- video conferencing;
- wireless international language translation capabilities; and
- advanced security systems and crowd control systems.

★ BANKING

State credit union laws

A plan to bring laws governing state-chartered credit unions up to par with regulations for federally chartered credit unions has some banks concerned about slight regulatory differences and competition issues.

However, Rep. Doug Stang (R-Cold Spring), the sponsor of HF2751, said other states have passed legislation to match federal laws whenever possible. Stang also expressed concern

that state-chartered credit unions have slowly been leaving the state or converting to federally chartered credit unions, and will continue to do so unless Minnesota laws are changed, taking sales tax revenues with them.

"It is important for credit unions to continue to provide a real alternative in the financial marketplace," said Del Prevost of the Members Cooperative Credit Union. Prevost testified at the Feb. 14 meeting of the House Commerce, Jobs, and Economic Development Policy Committee, where nearly 100 people from Minnesota credit unions were present.

When a credit union goes from state-chartered status to being federally chartered, it no longer pays state sales tax. Prevost said he would rather be state-chartered because he prefers to work with the state Department of Commerce rather than the National Credit Union Administration in Austin, Texas.

Commerce Commissioner Jim Bernstein said he has no objections to the legislation.

Credit unions differ from banks in several ways. They are nonprofit organizations that are democratically operated, and require a common bond, such as place of employment, for membership.

Prevost said that while the credit union movement is strong, it is no threat to the banking industry.

"Banks dominate the market in every aspect," said Bill Raker of the U.S. Federal Credit Union.

And about Stang's proposal, Raker said, "It is modest, it is fair, it is common sense."

But bank representatives disagreed.

Joe Witt, an attorney for the Minnesota Bankers Association, said his organization's concerns lie with large credit unions, which are mostly federally chartered.

★ COMMITTEE CONFERENCE



PHOTO BY TOM OLMSCHEID

House Speaker Steve Sviggum, *right*, talks with Chas Anderson, advisor to the House Republican Caucus, as the budget resolution conference committee hears testimony from House and Senate committee fiscal analysts Feb. 20.

Witt said the common bond that credit unions require is defined too loosely and today the requirement is “virtually irrelevant,” which means any member of the general public can join.

Witt also pointed out that credit unions were formed under modest means, but now credit union members are earning higher-than-average incomes.

He also raised the issue that credit unions’ assets have grown substantially in the past number of years. However, when prompted by Committee Chair Rep. Greg Davids (R-Preston), he admitted that credit unions’ market share has not increased.

“Failing to pass this legislation will surely be the beginning of the end for state credit unions,” Raker said.

The committee approved the bill and sent it to the House Taxes Committee.

★ CHILDREN

Child-care safety

Jolene and Bill Devine of Mayer don’t want other families to be kept in the dark about the criminal backgrounds of child-care providers.

The Devines’ 5-month-old grandson, Isaiah Devine, died of Shaken Baby Syndrome last year while at a daycare in Victoria. Now the couple is pushing for a bill that would require licensed providers to develop procedures for reporting suspected child abuse.

HF2813, sponsored by Rep. Carol Molnau (R-Cologne), cleared the House Health and Human Services Policy Committee on Feb. 19. It now moves to the House floor.

Molnau said the bill “gives parents the opportunity to know there are resources available if they suspect something.”

It requires child-care providers to give parents the phone numbers of the local child protection agency and licensing agencies upon request.

In addition, the bill mandates that the state print the licensing agency phone number on the daycare program’s license, directing concerned parents to call for more information.

The Devines said Isaiah’s mother, Theresa Devine, only learned of the child-care provider’s criminal past, which included drug and domestic assault charges, after her son’s death.

“We thought a license would ensure safety,” said Jolene Devine.

Jerry Kerber, director of the licensing division of the Department of Human Services, said gross misdemeanors, including domestic assault charges, don’t always show up on criminal background screenings of providers

conducted at the Bureau of Criminal Apprehension.

Now reporting requirements have changed so that domestic assault charges are reported to the bureau, Kerber said.

Reps. Bill Haas (R-Champlin) and Luanne Koskinen (DFL-Coon Rapids) raised concerns that unlicensed daycare providers would be left unregulated. The bill only applies to licensed providers.

★ CONSUMERS

Wine bill stymied

Legislators again put a cork in a bill that would allow cities to decide whether grocery stores could sell wine.

The measure (HF1205) failed in the House Commerce, Jobs, and Economic Development Committee after being amended to give cities the ability to issue wine licenses to grocery stores, and to restrict the sale of bottles smaller than 750 milliliters to help prevent shoplifting.

The bill, which was left in limbo from last year’s session after being withdrawn from consideration by its sponsor, Rep. Barb Sykora

(R-Excelsior), was rejected Feb. 20 on a committee vote.

Sykora claimed customers want one-stop shopping.

“For them it just makes sense, and I agree,” she said.

In 2001, the plan would have allowed wine sales in grocery stores only located in the Twin Cities metropolitan area. This year, the bill was changed to include all grocery stores statewide.

The bill would mandate carding of all customers trying to purchase wine, training for identification screening, and grocery store compliance checks and theft prevention plans.

“We will handle this responsibly and professionally,” said Mary Kowalski of Kowalski’s Markets.

But opponents said they are skeptical of how grocery stores would comply with laws on liquor sales.

“We know grocers would try to be vigilant, however, exclusive liquor stores only deal with liquor and tobacco,” said Kenn Rockler, executive director of the Wine, Beer, and Spirits Federation. Statistics presented at the committee showed grocery stores failed compliance checks more often than liquor stores on a regular basis.

Opponents of the legislation claimed small liquor stores would take a hit, and some would eventually go out of business. But proponents said that floral shops, bakeries, and pharmacies, which exist in many grocery stores, still flourish in independent shops.

Supporters also contended that wine in grocery stores would generate additional revenues, helping raise wages in a sector that lags behind other retail industries.

Another concern of opponents was an increase of youth access to alcohol. Steve Jerman, a junior at Sobriety High School, used alcohol for four years and has been sober for 19 months. Wine was always easiest to obtain, he said, and this bill will make it more convenient.

“We don’t care what we get, just so we get it,” he said.



Robert Davenport, an employee at Rainbow Foods in Shoreview, listens to testimony during a hearing of the House Commerce, Jobs, and Economic Development Policy Committee Feb. 20. Davenport supports legislation that would allow the sale of wine in supermarkets.

★ CRIME

Public admissions of guilt

Those who take responsibility for a crime should be punished for doing so, the House Crime Prevention Committee decided Feb. 19.

The committee approved HF3048, which would make it a gross misdemeanor for people to assume responsibility for crimes of which they have not been convicted.

Rep. Tom Workman (R-Chanhassen), the bill sponsor, said the bill is aimed at groups such as the Earth Liberation Front. The group took credit for a January fire that caused millions of dollars worth of damage and destroyed a construction trailer at the University of Minnesota's Microbial and Plant Genomics Research Center under construction on the St. Paul campus.

According to its Web site, the Earth Liberation Front takes responsibility for "the setting of incendiary devices" at the university site, and claims responsibility for other criminal activities as well.

The bill was initially drafted to include people who promote or support criminal activity, but Peter Erlinder, a professor of constitutional law at William Mitchell College of Law, said such language would be considered unconstitutional.

It is a violation of citizens' First Amendment rights to make agreeing with a philosophy a crime, he said. Actions are the only thing that can be considered a crime, not beliefs, he added.

The committee deleted that portion of the bill.

Robert Elde, the university dean of the college of biological sciences, spoke in favor of the bill.

Aside from the actual cost of the destruction, the criminals responsible for the vandalism have damaged research projects and required the university to now have tighter security, he said.

The repeated incidents have also had a chilling effect on scientists looking at the university as a possible research site, an effect that was probably intended by the vandals, he said.

The bill now advances to the House Civil Law Committee.

Child-care enforcement

The state needs to do more to make sure people are not committing child-care assistance fraud, a House committee was told Feb. 18.

Rep. Bill Haas (R-Champlin) told the House Family and Early Childhood Education Finance Committee that there are parents and providers abusing the state's subsidized child-care system.

Parents who directly receive subsidy money occasionally keep the money without paying for child-care services, while some providers receive state money for children they are not really watching, he said.

Haas is sponsoring a bill (HF3086) designed to make it harder for people to commit fraud by requiring social security information from child-care providers and recipients.

The bill would also set up a task force to study the incidence and type of child-care fraud cases, review child-care assistance laws, and report its findings to the 2003 Legislature.

Marque Nelson, president-elect of the Minnesota Fraud Investigator's Association, said having the social security number of child-care providers would make it easier to track parents and providers who commit fraud.

Although the vast majority of child-care providers are honest, Nelson said the state is barely scratching the surface of child-care assistance fraud occurrences.

TAKING THE PLUNGE



PHOTO BY TOM OLMSCHIED

During a Feb. 20 hearing of the House Jobs and Economic Development Finance Committee, Remi Stone, representing the League of Minnesota Cities, peers around a decorated toilet plunger as she testifies for supplemental assistance for wastewater infrastructure.

One provider illegally received \$300,000 for allegedly caring for three children who no longer lived in the state, he said, and other providers received money for watching children while they were at work.

Cherie Kotilinek, children's services program supervisor with the Department of Children, Families and Learning, said the department does everything possible to eliminate fraud.

The department is willing to work to tighten up the system, she said, but the state shouldn't go overboard and spend more on fraud prevention than is lost through fraud.

The state has only set aside \$175,000 annually for child-care assistance fraud investigations, compared to more than \$2 million for other assistance programs such as welfare, Nelson said.

For every dollar the state spends on preventing child-care assistance fraud, it saves an average of \$4.62, Nelson said. Other programs, such as welfare, only save an average of \$3.47 per dollar spent, he said.

The committee approved the bill and sent it to the House Government Operations and Veteran's Affairs Policy Committee.

★ DEVELOPMENT

Redevelopment in Minneapolis

The city of Minneapolis is requesting \$12 million in bonds that would assist a federal initiative to improve public land and buildings in its poorest neighborhoods.

"This is one of the toughest redevelopment challenges in the state," said Minneapolis Mayor R.T. Rybak.

The mayor testified in support of HF2917 at the Feb. 20 hearing of the House Jobs and Economic Development Finance Committee. The bill is sponsored by Rep. Phyllis Kahn (DFL-Mpls).

"We're working with the hardest to employ and land that is the hardest to develop," said Rybak, who co-chairs the governance board that provides direction for the program.

Minneapolis was designated one of 15 urban Empowerment Zones by the federal government in January 1999. The zones are locally managed, with the program aimed at developing "healthy and sustainable communities ... through economic growth, affordable housing, education, job training, and community services," according to the city's literature.

"This is a very exciting partnership," said Rep. Karen Clark (DFL-Mpls).

The program has received nearly \$19 million in federal funding, and in the year 2000 received \$8.8 million from the state.

Projects funded through the Empowerment Zones initiative include an Agape Child Development Center, the Hawthorne Employer-Assisted Homesteading Program, and the Midtown YWCA Community and Urban Sports Center.

Projects that would be funded under the bill include:

- \$4 million for redevelopment on the city's north side, including the North-South Greenway;
- \$3 million for South East Minneapolis Industrial (SEMI) redevelopment;
- \$2.2 million for infrastructure and redevelopment for the Great Lakes Center at the intersection of Chicago Avenue and Lake Street; and
- \$1.8 million to acquire railroad rights-of-way, and to construct trails, retaining walls, and access ramps into the 29th Street Midtown Greenway.

Three geographic areas of the city make up the Empowerment Zones, which together measure 6.7 miles of land. The zones consist of just under 50,000 residents and 3,200 businesses.

"The land ... and people have tremendous potential," Rybak said.

The bill will be considered for inclusion in the committee's bonding recommendations.

★ EDUCATION

Mixed-gender wrestling teams

At Rep. Paul Marquart's (DFL-Dilworth) request, two high school wrestlers demonstrated a high-crotch takedown for members of the House Education Policy Committee Feb. 19.

Through several common wrestling moves, Burnsville seniors Ian Stoneberg and Tim Berceau showed the amount of physical contact that takes place during a match.

Rep. Sondra Erickson (R-Princeton) is sponsoring a bill that would require high school wrestling teams to be gender-separated. Stoneberg and Berceau testified that wrestling a girl is awkward and throws off their mental mindset when they are on the mat.

"Concerns have surfaced in recent years because wrestling is a contact sport," Erickson told the committee. There are a few all-girls wrestling teams in the state, but most girls that want to wrestle join the boy's team.

Some coaches or wrestlers can choose to forfeit a match against a girl, which in scoring is the equivalent of being pinned. Marquart, who supports the bill, said that as a wrestling coach he doesn't have his team members wrestle girls due to the bodily contact involved.

"We're not talking about ability, we're not

talking about girls not wrestling," Marquart said. "Wrestling is a close, intense, physical sport."

Abraham Olson, a junior at Trinity School in Bloomington, said he has been taught to respect women and their bodies, and the nature of the sport goes against what he has been taught.

"My mental mindset has to change completely" when he wrestles girls, Olson said. "I have to avoid the chest, the crotch. I cannot experience the match like I should."

Rep. Mary Jo McGuire (DFL-Falcon Heights) said she supports the quality of girl's athletics, but this bill may eliminate girls' options because schools don't have the money to fund another team.

According to the National Federation of State High School Associations, in 2001 there were nearly 900 girls wrestling teams across the country, representing more than 3,000 individual wrestlers.

The bill was approved by the committee and now goes to the House floor.

Create your own district

A plan being discussed in a House committee is asking Minnesotans to consider developing and arranging school districts by different criteria than the geographic standard the state now uses.

The bill, sponsored by Rep. Alice Seagren (R-Bloomington), would allow any Minnesotan's idea of what a district should look like to be considered before a legislative review committee for approval. She presented HF2984 before the House Education Policy Committee Feb. 14.

"The bill is very lacking in specifics," Seagren said, "but is totally thinking about if you could be king or queen for a day."

The concept came from the St. Paul-based Center for Policy Studies, whose representative, Ted Kolderie, said Minnesota's big gap in graduation rates and large number of minority students suggest to him an entirely new approach may be needed to create better schools.

"Improvement so far has been by changing the schools we already have," Kolderie said.

Seagren said she wants people to think beyond conventional wisdom about school district structure, with no preconceived agenda as to what a new school district would look like. Having targeted results would be optional, she said.

Among several provisions, HF2984 says that a non-geographic school district must:

- be a nonprofit entity;
- have a governing board comprised of Minnesota residents;
- have no geographic locus except to be located in the state; and
- provide a framework for the creation, supervision, and support of new learning environments and schools.



Tim Berceau gets pinned by Ian Stoneberg in front of the House Education Policy Committee Feb. 19. After testifying in support of a bill that would outlaw mixed-gender wrestling teams, the two Burnsville High School wrestlers demonstrated moves that would be considered improper off the mat. Watching the demonstration in back are Committee Chair Rep. Harry Mares, left, legislative assistant Rory Koch, center, and Rep. Mark Olson.

Committee members were skeptical of the vagueness of the plan.

A proposal could exclude students with disabilities, said Rep. Matt Entenza (DFL-St. Paul). "Why wouldn't we want to have protections that would include all kids ... (if we're) using taxpayers funds?" he asked.

"We wouldn't want to do anything that would be discriminating, but we want to give (free reign)," Seagren replied.

"Would school districts have levy authority? Referendums?" inquired Rep. Lyndon Carlson (DFL-Crystal). He also asked who would be able to vote, and if there would be collective bargaining. Seagren reassured it would be "all left up to the proposal and what it would entail."

All plans would be reviewed by a six-member legislative group, which would include two members each from the House and Senate. An amendment approved during the committee hearing would require any plan approved by the legislative committee to go before the entire Legislature for final approval.

The committee did not vote on the bill, and no recommendation was given.

Agriculture school plan

Officials of the Agricultural and Food Sciences Academy, an urban agribusiness high school, are requesting \$14 million in state bonds to construct a new building.

Since its opening in September 2001, the charter school has met in a temporary location in Little Canada. The bill, sponsored by Rep. Bob Ness (R-Dassel), would require an equal match of non-state funds.

HF2803 was presented to the House K-12 Education Finance Committee Feb. 20. It will be considered for inclusion in the committee's omnibus bill.

The academy, which specializes in forestry, agronomy, food science, and horticulture, is four years in the making. Forty-seven students are currently enrolled, with 97 more planning to come on board in fall 2002.

The proposed building would hold 600 students. Principal Brian Ingvalson said he plans for the school to grow one grade each year, and anticipates a waiting list down the road.

"We have a track record of high academic learning," Ingvalson said. The agribusiness community, which Ness estimates at 250 firms, is involved in the school in several ways, including providing financial support and internships.

The total price tag for the academy is \$31 million, with the new building costing \$21 million. The Minnesota State Fair has donated 7.5 acres of its land for the school, estimated at \$3 million.

Ingvalson said the school's students and teachers would be exhibitors at the state fair. The new building would have facilities for school projects in large and small animals, crops, plants, gardens, greenhouses, food processing, environmental education, and golf courses.

The school would also provide college preparation, a computer for every student, two world languages, Future Farmers of America (FFA), and extra-curricular activities.

The new building, which would have 127,000 square feet, would be finished in September 2004. The predesign for construction has already been completed.

Designing better schools

To ensure proper and thorough design of new school buildings, Rep. Kathy Tingelstad (R-Andover) is sponsoring legislation that would create a high performance school facility grant program.

"This is an opportunity to change the way we're doing things," Tingelstad told the House K-12 Education Finance Committee Feb. 18.

School buildings across the state have problems that could have been prevented with better planning and design, Tingelstad claimed. As one example, she said a new building in Rush City has a leaking roof that is going to cost \$5 million to repair. Other schools only last 20 years due to health and safety issues.

"School districts will save money over time," said Joel Schurke, who specializes in real estate construction for the Intep architectural firm.

Tingelstad also said that some schools come back to the Legislature to clean up their problems.

The bill (HF2831) would appropriate \$2 million for two new and two major remodeling projects. Tingelstad said the money will help schools that may not be able to afford comprehensive planning for a high performance building.

While Rep. Jim Abeler (R-Anoka) commended Tingelstad for bringing forth the legislation, some committee members questioned the need for the allocation, wondering why the state wouldn't instead impose a mandate for solid planning and design.

The bill is "a little extra bonus for some architects," Rep. Bob Ness (R-Dassel) said, suggesting a better solution might be for legislation that would require the state's education department to screen architects.

Rep. Mark Buesgens (R-Jordan) said he didn't like the idea of using state funds to show that it takes money to pre-plan well. "Is it up to the state to mandate pre-planning?" he asked.

HF2831 will be considered for inclusion in the committee's omnibus bill.

★ EMPLOYMENT

Merging departments

The House Governmental Operations and Veterans Affairs Policy Committee approved a bill Feb. 15 that would establish a new agency to house the state's workforce and economic development programs.

Last session a law was passed transferring many of the Department of Economic Security's programs into the Department of Trade and Economic Development. As part of the law, a transition team was established to make recommendations on how best to structure the agency and its programs.

HF3151, sponsored by Rep. Bob Gunther (R-Fairmont), incorporates many of the transition team suggestions in establishing the new agency known as the Department of Workforce and Economic Development.

The bill states that part of the department's mission is to "increase the economic independence of Minnesotans with special effort toward those who are currently unemployed or who face special disadvantages in the labor market."

Sharon Mayo, representing the National Federation of the Blind, spoke against a provision in the bill that would move the State Services for the Blind program into the new department. That program is currently housed in the Department of Economic Security.

Mayo said she was concerned that if the program becomes part of a larger department with a focus on workforce issues, many current users of the services would likely not have their needs met. Mayo said that about 75 percent of the users are not seeking employment services, including the elderly.

Rep. Mark Gleason (DFL-Richfield) offered an unsuccessful amendment that would have moved the program into the Department of Administration. Although her organization would prefer the program being a stand-alone agency, Mayo said the Department of Administration was a better fit than the new department.

Morrie Anderson, who led the transition team, said the recommendation to place the State Services for the Blind was in part based on keeping like services and funding sources together. He said there would be an increased chance of "something falling through the cracks" if different agencies had to coordinate services.

Rep. Marty Seifert (R-Marshall) questioned the reason for combining departments since the bill would not eliminate any full-time positions.

Rebecca Yanisch, the commissioner of the Department of Trade and Economic Development, said the merger would save more than

\$2 million and that the plan is for a reduction in positions through attrition.

The bill now goes to the House Jobs and Economic Development Finance Committee.

★ ENVIRONMENT

Water monitoring

A fraction of the water bodies in the “Land of 10,000 Lakes” are watched for quality and Rep. Chris Gerlach (R-Apple Valley) said he would like to see a team of volunteers tackle the environmental task.

His bill (HF3275), which directs the Minnesota Pollution Control Agency (PCA) to encourage the development of a citizen water quality monitoring program, received a green light from the House Environment and Natural Resources Policy Committee Feb. 14. The bill now goes to the House floor.

“There are people out there who are ready to do the work,” said John Curry, legislative director of the Minnesota Center for Environmental Advocacy. “The bottom line is this — Minnesota lakes and waterways need to be monitored.”

Rachel Hopper, representing the Izaak Walton League, a national conservation and outdoor recreation advocacy group, said “too little is known about our water bodies.”

Water quality assessment is mandated by the Clean Water Act, she noted, adding that only about 5 percent of the state’s 9,200 river and stream miles are monitored. As for lakes, the state collects water quality data on 225 out of 15,000.

Gerlach said many people in the state are “eager and ready to go” on the project. He pointed to similar efforts in other states where more than 17,000 people have volunteered in Iowa, and 39,000 people have signed up for “stream teams” in Missouri.

He said the project would save the state money by avoiding additional state employees for the work.

Lisa Thorvig, assistant commissioner of the Pollution Control Agency, said the project would not require funding from the agency. The PCA would be called on to provide technical assistance to the volunteers, state guidelines for gathering data on the water, and to include the data into the agency’s overall water quality monitoring efforts.

Committee Chair Rep. Dennis Ozment (R-Rosemount) said the project isn’t meant to be “investigatory in nature,” but rather to provide Minnesotans with more information about the condition of the state’s waters.

Hopper said the project “really puts the power in the hands of the citizens.”

★ GAME & FISH

Limit law change

The House Environment and Natural Resources Policy Committee approved a bill Feb. 19 that would stiffen penalties for individuals who violate the state’s fish and game limit laws.

Under HF94, sponsored by Rep. Bill Haas (R-Champlin), an enforcement officer would be directed to seize motor vehicles used to transport big game animals hunted illegally.

Further, officers would be required to seize boats and trailers used by fishers who illegally net fish on Lake of the Woods, Rainy Lake, Lake Superior, Namakan Lake, and Sand Point Lake.

Officers would be authorized to seize boats, motors, and trailers when they are used to transport wild animals valued more than \$500. The individuals involved would also lose their fishing or hunting license.

The bill assigns a dollar value to game based on type and size. For example, a yellow perch of least 10 inches in length is \$10, a canvasback is \$100, and a trumpeter swan is \$1,000.

For those who take more wild animals than allowed for in state law, and they are valued at more than \$1,000, the individual would be charged with a gross misdemeanor.



Frank Scheider, from the Minnesota Sports Fishing Congress and Muskies, Inc., testifies Feb. 19 before the House Environment and Natural Resources Policy Committee in support of a bill that establishes criminal penalties for fish and game law gross overlimit violations.

For a fisher or hunter who takes animals with a restitution value at \$5,000 or higher, his or her license would be revoked for at least five years. Further, the same limit would apply to individuals who take wild game worth more than \$500 within 10 years of earlier license violations.

Persons cited for violating fish and game laws would be allowed to appeal their case to the commissioner of the Department of Natural Resources or the district court administrator in the county where the incident occurred.

The bill failed on the House floor by a vote of 38 to 95 in 2001. After the vote, it was returned to the committee for reconsideration.

The bill now goes to the House floor.

★ GOVERNMENT

Unicameral plan moves ahead

Voters would be allowed to decide if the Legislature should have one house instead of two, under a measure heard by the House Governmental Operations and Veterans Affairs Policy Committee Feb. 15.

The committee referred the bill to the House State Government Finance Committee without recommendation.

During his 14 years as a representative, Rep. Ron Abrams (R-Minnetonka), sponsor of the bill (HF2764), said the House has had floor debate on a multitude of issues including stadiums, abortion, and domestic partnership benefits, but it has not discussed the unicameral issue.

“At the very least the people should find out where their elective officials are on this issue,” he said.

The bill would put a constitutional amendment question on this year’s general election ballot that would propose replacing the House and Senate with a 134-member unicameral legislature beginning in 2007.

Legislators would be elected to four-year terms, under the proposal.

Abrams said there have been a number of significant changes to the structure of the executive and judicial branches of government since Minnesota became a state. For example, the original state constitution had voters elect both the governor and lieutenant governor separately.

Unlike the other branches, he said the Legislature has never changed its core structure that was established in the original constitution.

Nancy Witta, legislative coordinator for the Minnesota League of Women Voters, said the organization opposes the bill because a unicameral legislature does not provide the

proper checks and balances of the current system, and would allow less citizen input.

Rep. Mark Gleason (DFL-Richfield) offered a successful amendment that would require the secretary of state to provide a voter's guide that summarizes the issues impartially for voters.

Abrams spoke against the amendment because of additional costs it would add during a time of a budget deficit.

Rep. Phyllis Kahn (DFL-Mpls) said she was "appalled" that Abrams would want to put the issue before the voters, but didn't want to ensure they were fully informed on the issue.

She offered an unsuccessful amendment that would establish a parliamentary system that would eliminate the constitutional offices. The Legislature would appoint the governor who would then appoint the secretary of state, auditor, and attorney general.

Abrams said that countries throughout the world, such as Israel, were moving away from parliamentary systems.

Full financial disclosure

Members of the State Board of Investment would be required to disclose more of their own financial information, under a measure approved by the House Governmental Operations and Veterans Affairs Policy Committee Feb. 15.

The board, which consists of the governor, attorney general, state auditor, secretary of state, and state treasurer, is responsible for administering and directing the investment of state funds and pension funds.

HF1025, sponsored by Rep. Matt Entenza (DFL-St. Paul), would require board members to disclose any contract or other arrangement under which the member will perform services for compensation as a consultant, employee, or independent contractor for a person or entity other than the state.

The bill would require that the disclosure be made before the member begins to perform the services, or within 30 days after the member agrees to perform the services, whichever is sooner.

Entenza said that increased disclosure for a board that is responsible for "billions and billions" of state funds is a good idea.

A similar proposal was included in the state government finance omnibus bill that passed the House during the 2001 special session but the provision was removed during conference committee negotiations. Entenza said the governor's office expressed concern with the provision.

Rep. Bill Hilty (DFL-Finlayson) asked Entenza why it was important that the amount of the compensation be disclosed.

Entenza said the amount would allow people to decide how big an issue the compensation was and that a larger amount would probably lead to more speculation about a potential conflict of interest.

Rep. Mark Gleason (DFL-Richfield) said the additional disclosure would not apply to compensation of a member who forms a corporation that provides consulting services. He said nothing in the bill would require that corporate compensation be disclosed, and that exception "is a loophole you could drive a truck through."

Although the bill was not perfect, Entenza said it was an improvement over current law. The bill now goes to the House floor.

HIGHER EDUCATION



MnSCU project requests

Officials from the Minnesota State Colleges and Universities are requesting more than \$268 million worth of bonding this session for projects that would affect all 53 of their campuses.

The Senate concurred with all that MnSCU is requesting, but Gov. Jesse Ventura is recommending only about \$135 million.

On Feb. 15 and Feb. 18, members of the House Higher Education Finance Committee gathered information to be used as the committee puts together its bonding request.

Atop the list is money for a new food building at Southwest State University in Marshall. The previous one burned down Jan. 2. Al Johnson, MnSCU associate vice chancellor for facilities, said officials can't be sure they will get the full replacement costs from insurance companies, but they should.

"The insurance company will decide the value and then we will negotiate if we don't agree," he said.

Chancellor James McCormick said the second priority for the MnSCU system is \$100 million in regular maintenance funds for roof replacements, major mechanical and infrastructure projects, safety upgrades, and space restoration. The governor is recommending \$35 million.

The roof replacements would use one-third of the request. Johnson said the system has adopted higher performance standards meaning the new roofs will have a 40-year life expectancy, versus the 20-year expectancy of industry standard roofs.

The remainder of the money has been allocated on a priority basis to 25 projects.

The next projects, based on priority, are:
•\$9.9 million to remodel a science building at Normandale Community College;

- \$9 million to create a one-stop student services center at Minneapolis Community and Technical College;
- \$17.44 million for a library and information access center at Metropolitan State University;
- \$9.15 million for a computer technology laboratory and classroom building at Alexandria Technical College;
- \$30 million for a new science building at Winona State University;
- \$18.96 million for a new science building at Minnesota State University, Moorhead;
- \$1.9 million for science laboratory renovations at six campuses; and
- \$19.5 million for land acquisition, including \$17.5 million for the current home of the Billy Graham Evangelical Association. The group announced a plan to leave its headquarters adjacent to Minneapolis Community and Technical College in the next few years.

HUMAN SERVICES



Statute change

The so-called "County Poor Law," which directs counties to levy taxes for cash assistance programs, is a Minnesota statute many consider outdated. It was established in 1937.

Since the state administers welfare programs, such as the Minnesota Family Investment Program (MFIP), county officials argue they shouldn't be left vulnerable to potential lawsuits from those seeking aid from the county.

The House Health and Human Services Policy Committee approved a bill Feb. 19 that clarifies state law and the county's role in administering welfare programs. It's next stop is the House floor.

Sponsored by Rep. Kevin Goodno (R-Moorhead), HF3258 states that counties would not be required to provide income support if the individual doesn't qualify for state welfare programs.

Maureen Bellis, representing Anoka County, said county officials would still have the flexibility to provide financial support to lower income residents. However, under the bill they couldn't be forced to issue cash assistance.

Mary Zannmiller, representing the Affirmative Options Coalition, a statewide group focused on welfare reform and economic security issues, said the bill would repeal the "last vestige of a safety net" for the poor.

Goodno dismissed Zannmiller's claim and asserted that the bill merely clarifies existing state law.

Rep. Thomas Huntley (DFL-Duluth) said the "County Poor Law" reflects a period in the

state's history when a county was the only unit of government that levied taxes. As a result, county officials had the ability to provide assistance to the poor.

Now that responsibility has shifted to the state.

Federal and state governments took over most of the responsibility of administering assistance to the poor with the passage of the Social Security Act in 1935.

Counties paid a portion of Social Security until 1989 when Minnesota took over the entire non-federal share of the General Assistance and Minnesota Family Investment programs, according to a legislative history prepared by the Metropolitan Inter-County Association.

★ INSURANCE

Clarifying liability law

Every word can be important when crafting a law. On a 126-2 vote, the House passed a bill Feb. 18 that demonstrates the point.

HF2783, sponsored by Rep. Greg Davids (R-Preston), clarifies state law dealing with automobile liability coverage.

Davids said that the bill is a result of a situation where a 16-year-old driver borrowed a neighbor's car with permission and was involved in an accident. The driver did not have insurance, but Davids said that usually the driver would have been covered by her parent's liability coverage.

Current law states that in such an incident the insurance company would be required to pay damages arising out of the ownership, maintenance, or use of "a" motor vehicle.

Two lower district courts agreed that the insurance company was obligated to pay the damages, under current law. But the state Supreme Court overturned the lower courts' rulings and said the statute was vague.

Davids said that in its majority opinion the court stated the Legislature could clarify its intent by using the word "any" instead of "a." "In my opinion 'a' vehicle would mean 'any' vehicle," he said.

The bill changes the statute to read "any" and also further clarifies intent by adding a clause that states "including a motor vehicle permissively operated by an insured."

The bill awaits action on the Senate floor.

If you have Internet access, visit the Legislature's web page at:
<http://www.leg.mn>

LONG DAY



PHOTO BY TOM OLMSCHIED

Jennifer Larson, 5, puts her head on the shoulder of her father, Rep. Dan Larson, as he listens to a question from a member of the House Transportation Policy Committee Feb. 19. His bill would cancel the license of school bus drivers convicted of a gross misdemeanor or have a serious violation that shows the person represents a risk to the public safety.

★ LAW

Temporary licenses

A plan to grant temporary driver's licenses to people who have lost their licenses because they are behind in their child support payments was approved by the House Civil Law Committee Feb. 20.

HF3393, sponsored by Rep. Lynda Boudreau (R-Faribault), would allow non-custodial parents a one-time 90-day temporary driver's license if they meet certain requirements.

The bill would allow a license to be given if the person's income depends on the license; they need it to attend a chemical dependency treatment program; the health, education, or nutritional needs of the person's family depends upon the license; or it is needed to get to and from a post-secondary school.

Under current law, the state can take away the driver's licenses of non-custodial parents who are behind in child support payments equal to or greater than three times their monthly support payments, and who are not in compliance with a payment agreement.

Boudreau said the bill makes sense because the state can't collect child support payments from people who can't work because they don't have a license.

"I believe we are going to collect more in child support," she said at the bill's first hearing Feb. 18.

Other committee members didn't like the idea of making exceptions to a law that has

worked well in getting people to make their payments.

Rep. James Clark (R-New Ulm) said the bill would just give people another 90 days to put off paying what they owe.

"I thought license suspension was one of the most effective tools in bringing obligors to the table," he said. "Is this 90 days just further stalling?"

Rep. Wes Skoglund (DFL-Mpls) agreed. In many child support cases, the loss of the driver's license was the one thing that finally got people to pay up, he said.

The committee approved the bill. It now goes to the House Transportation Policy Committee.

★ MILITARY

Federal benefits

Minnesota military personnel would receive the benefits from a 1940 federal act for state active duty, under a measure approved by the House Governmental Operations and Veterans Affairs Policy Committee Feb. 20.

HF3274, sponsored by Rep. Greg Blaine (R-Little Falls), would align the state statute to conform with a law known as the Soldiers and Sailors Relief Act of 1940.

That act provides protections for military personnel including reduced interest rates on mortgage payments and credit card debt, protection from eviction, and temporary suspension of certain civil court proceedings such as bankruptcy, foreclosure, and divorce.

Col. Dennis Lord, executive director of the state Department of Military Affairs, said the state's National Guard members were activated by President George W. Bush to provide security at the airport following the events of Sept. 11. Even though they were called to duty by the president, Lord said members were called under Title 32 that designates the service as federally funded state active service.

Lord said that had the members been called up under Title 10, the federal active service provision, they would have qualified for the benefits. But because the service was designated under Title 32, the benefits did not apply.

Lord said that a number of states, including Wisconsin, Ohio, and Florida, have already adopted similar legislation.

Rep. Jim Rhodes (R-St. Louis Park), the committee chair, called the proposal a "great bill." Rhodes said that many of the state's military personnel are "living on the edge" and the bill would provide relief from having to worry about daily issues, such as dealing with creditors and other financial concerns while on duty.

The bill would be retroactive to Sept. 11, 2001 so personnel would qualify for benefits during their entire term of service.

The bill now goes to the House floor.

Updating justice code

The state's code of military justice would be made to more closely mirror the federal code under a measure approved by the House Governmental Operations and Veterans Affairs Policy Committee Feb. 15.

The bill now goes to the House Crime Prevention Committee.

HF3221, sponsored by Rep. Rob Eastlund (R-Isanti), would delete obsolete statutory language and clarify and update language and terms.

Judge Advocate Gen. John Brossart, a lieutenant colonel in the Minnesota National Guard, said most of the current law was adopted in 1963 and amendments were passed in 1974 and 1986. Eastlund's bill would bring the state code more into conformity with the federal Uniform Code of Military Justice.

Much of the committee's discussion centered on changing definitions in the bill that members said were too broad.

Rep. Bill Hilty (DFL-Finlayson) said one such change was the proposal to replace the word "enemy" with "hostile group or body" from the chapter of law dealing with aiding the enemy.

He said one could interpret the term "hostile group or body" to mean somebody who disagreed with, or did not like, the military or action it has taken.

Brossart said the provision only applied to a person who was in the military and their actions while in service.

But Rep. Loren Solberg (DFL-Bovey) disagreed, saying the way the provision is currently written made a more broad interpretation possible.

"It's in the eyes of the beholder whether someone is hostile or not," Solberg said.

Eastlund said he would work with Hilty and others to address the concern.

Rep. Marty Seifert (R-Marshall) offered a successful amendment to delete a section relating to disorderly conduct. The bill would define that conduct in part to a person who "engages in offensive, obscene, indecent, abusive, boisterous, or noisy conduct."

Seifert said that his friends in the military often times use language that might be considered offensive and the bill would make those people subject to a court martial.

RECREATION



Twins plans still at bat

Two stadium bills for the Minnesota Twins held on for another day in the House during the Jobs and Economic Development Committee hearing Feb. 18.

The first proposal, sponsored by Rep. Tom Osthoff (DFL-St. Paul), would use state-issued general obligation bonds to fund a ballpark in St. Paul. To repay the bonds, the state would authorize the city of St. Paul to impose a 3 percent citywide tax on retail sales of food, entertainment, and liquor, as well as charge an additional fee on tickets.

Proponents of Osthoff's bill (HF2789) said the success of the Xcel Energy Center is evidence a stadium would be great for the capital city.

"This successful arena has brought new vibrancy to St. Paul," said Jaye Rykunyk, principal officer of the Hotel and Restaurant Employees Local 17.

She testified along with several St. Paul restaurant owners in support of the 3 percent food and beverage tax.

Rykunyk, whose union represents hospitality workers, including those at the Xcel Energy Center, said the average total payroll for food and beverage workers every Twins season is currently \$3.5 million in the Metrodome. In a new ballpark that number would likely rise to \$8 million annually, with \$2 million in benefits. The potential employment is 1,000 workers, which would all be union jobs, plus 25 to 30 management positions.

Dick Anfang, president of the Minnesota Building Trades, said a new stadium would provide 600 construction jobs over two to two-and-a-half years.

Another St. Paul stadium bill, sponsored by Rep. Michael Paymar (DFL-St. Paul), would require state-issued revenue bonds to finance a portion of the cost of a baseball park.

(The different between general obligation bonds and revenue bonds is the funding source for debt service, i.e. the interest and principal on money borrowed. General obligation bond debt service usually comes from the general fund, but technically it is backed by a state or municipality's taxing power. Revenue bond debt service comes from a specific



Amy Fletcher of St. Paul tells the House Jobs and Economic Development Finance Committee Feb. 18 how much her family enjoys the Twins, and that she supports St. Paul's effort to build a ballpark in the city.

revenue source, such as payment of fees.)

Under Paymar's bill, the bonds would be repaid by a number of sources, including an additional sales tax on food and beverages at the stadium, an additional fee on tickets, sale of the park's naming rights, media outlet fees, and a \$2 vehicle parking surcharge.

Paymar's bill would call for a stadium village, creating a district of retail and commercial businesses, mixed-income housing, and educational and recreational community facilities.

Neither bill has a specific site within St. Paul.

The committee approved both bills. HF2789 now goes to the House Capital Investment Committee, and HF3433 goes to the House Taxes Committee.

Football stadium falters

The House Governmental Operations and Veterans Affairs Policy Committee voted 15-5 against a proposal Feb. 18 that would provide a state appropriation of \$160 million in general obligation bonds towards a football stadium for the Minnesota Vikings and the University of Minnesota.

HF3423, sponsored by Rep. Kevin Goodno (R-Moorhead), was before the committee because the bill would establish a public non-profit corporation to construct and operate the stadium.

Rep. Len Biernat (DFL-Mpls) made an unsuccessful motion to table the bill because he said the committee and the Legislature as a whole had more pressing issues to deal with.

Even though the Vikings have a number of years left on their Metrodome lease, Goodno said it is important to address the issue now. He said the National Football League's loan program ends next year and it is unlikely that the Vikings would continue a willingness to contribute to the project if they continue to lose money. He said it would take five years for the stadium to be ready once a bill is approved.

Goodno said that in addition to the state general obligation bonds, the bill requires that the Vikings contribute \$100 million, the NFL \$51.5 million, and the University of Minnesota provide the land for the stadium and a 4,000-space parking ramp.

The corporation established in the bill would have had a three-member board of directors appointed by the governor. Under the proposal the Vikings and the University would submit a list of potential board members for two of the appointments. The governor would choose the third member from a list of three candidates submitted by the first two appointees.

Rep. Bill Hilty (DFL-Finlayson) expressed concern that the three-member board provided marginal representation.

Rep. Phyllis Kahn (DFL-Mpls) said the stadium would likely be located within her district and neighborhood groups should have representation on the board.

The committee adopted an amendment expanding the board to five members and removed the requirement that the Vikings and Gopher representatives approve a third member.

Rep. Philip Krinkie (R-Shoreview) said the establishment of the corporation further reduced the need for the Metropolitan Sports Facilities Commission. Krinkie said the Target Center in Minneapolis and the Xcel Energy Center in St. Paul are both run separately.

"To create another entity to operate the football stadium, so there is further fragmentation is a terrible way for the state to be involved," he said.

★ RETIREMENT

LTV pension concerns

A resolution claiming laid off LTV steel mining workers were given "virtually no notice" of the termination of their pension plan awaits Gov. Jesse Ventura's signature.

CHAMBER MUSIC



PHOTO BY BECKY EKSTAM

As part of Arts Advocacy Day at the State Capitol, the Feb. 19 House floor session opened with "America the Beautiful" sung by Carlos Archuleta of the Minnesota Opera.

The resolution states that the Minnesota Legislature urges the pension corporation to delay terminating the LTV Steel Mining Pension Plan until March 2003 in order to enable the employees of LTV and the state "to study possible alternatives to a Pension Benefit Guaranty Corporation distressed termination."

The pension corporation gave plan participants 45 days notice of its intention to terminate the pension plan, based on their analysis that the plan is no longer fully funded, according to the resolution.

"This is too much for any person or area to bear," said Rep. Tom Rukavina (DFL-Virginia) on the House floor Feb. 18. He said the former workers could lose up to 50 percent of their pension.

About 3,500 Minnesotans are either collecting or are eligible for a fully funded pension.

The LTV mining plant in Hoyt Lakes shut down in August 2000, and went bankrupt in February 2001.

The resolution is sponsored by Rep. Tom Bakk (DFL-Cook) in the House, and Sen. David Tomassoni (DFL-Chisholm) in the Senate.

The measure it passed the House 119-0 on Feb. 18 and the Senate by a vote of 64-0 on Feb. 14.

HF3411/SF3207*

★ TAXES

Break to quit smoking

Those seeking to quit smoking would receive a tax break, under a proposal heard by the Sales and Income Tax Division of the House Taxes Committee Feb. 20.

Sponsored by Rep. Andy Westerberg (R-Blaine), HF3050 would provide a sales tax exemption on devices approved by the Federal Drug Administration to assist individuals in refraining from the use of tobacco. Those devices include such items as nicotine patches, inhalers, and gum.

Chris Tholkes, director of tobacco control of the American Lung Association of Minnesota, said that 20 percent of adults in the state are smokers. Forty percent try to kick the habit, but only 10 percent of those succeed. She said the average smoker attempts to stop smoking five to seven times before they are successful.

Tholkes said that smokers wishing to quit usually spend \$4 to \$18 per day on cessation devices, while buying a pack of cigarettes costs around \$3.50. She said the sales tax exemption would narrow the gap between the costs.

Currently many HMOs cover one year of the costs for medication to help people stop smoking, she said.

Corinne Ertz, representing the American Cancer Society, said that 5,600 Minnesotans die every year from tobacco use. She said the health care costs associated, including lost productivity, total about \$2.64 billion per year.

Jeanne Weigum, a volunteer for the Association for Nonsmokers, said the sales tax exemption would send a "powerful public health message" by the state that the costs to society from tobacco use is too high.

Westerberg said that he has heard no opposition to the bill.

The Department of Revenue estimates that the bill would cost \$670,000 in 2003, \$750,000 in 2004 and \$770,000 in 2005. The estimate is based on nationwide sales of cessation products that totaled \$606 million in 2001.

Rep. Elaine Harder (R-Jackson), the division chair, said the bill would be considered for possible inclusion in an omnibus tax bill, should there be one this year.

Border city exemptions

Over the years the Legislature has enacted a variety of different measures meant to help certain Minnesota cities compete with neighboring cities across the border in North Dakota and South Dakota.

This year, a bill (HF2715), sponsored by Rep. Kevin Goodno (R-Moorhead), would provide certain property and sales tax exemptions for residents in the cities of Breckenridge, Dilworth, East Grand Forks, Moorhead, and Ortonville.

The House Taxes Committee Property Tax Division heard the bill Feb. 18, and the committee will consider it for possible inclusion in an omnibus tax bill.

Under the measure, the five statutory cities along with other cities in the same counties would be allowed to grant a two-year property tax exemption for newly constructed homes and apartments.

The bill would also grant a sales and use tax exemption on the gross receipts from the sale of materials used to construct the housing.

Scott Hutchins, director of the Community and Economic Development Department with the city of Moorhead, said that in the last five years the city has "lagged far behind Fargo" in new home construction. He said that while Moorhead continues to lose population Fargo and West Fargo continue to grow.

Goodno said that North Dakota residents actually pay more property taxes than their Minnesota counterparts on a similar home. But he said the North Dakota cities offer a property tax exemption for new construction and the bill would address that inequity.

Rep. Ann Lenczewski (DFL-Bloomington) said under the state's existing tax abatement

laws the city of Moorhead could grant the property tax exemptions by a city council resolution without the bill.

However, the existing law would require similar resolutions from the county and the school district in order to abate all property taxes. Goodno said the bill would cover all jurisdictions.

Because there may or may not be an omnibus tax bill this session, Rep. Ron Abrams (R-Minnetonka) said, the city may wish to work with the county and the school district to achieve the exemption that would be established in the bill.

Hutchins said a good working relationship exists between the parties and he would pursue an agreement with all three involved.

Paper filing requested

During the past few years the Department of Revenue has upgraded its computer systems in order to move towards more electronic filing of tax forms. Since the beginning of July 2001, sales tax filers have had no choice but to file electronically or via telephone.

The Sales and Income Tax Division of the House Taxes Committee heard a bill Feb. 20 that would allow people who file quarterly or annual sales tax returns the option of filing paper returns. The bill would only apply to filers with average tax liabilities of less than \$500 per month.

Rep. Al Juhnke (DFL-Willmar), the sponsor of HF2777, said the issue was brought to him by a constituent. Juhnke said many people in rural areas of the state do not have computers or do not have computers capable of filing the returns. He said filing over the telephone can also be problematic as some people still have rotary phones.

"All this says is 'Let us mail in our forms like we've always done,'" Juhnke said.

Rep. Elaine Harder (R-Jackson), the division chair, said the bill was a good idea as she has heard from several small business owners in her district who have complained about the change to electronic filing.

"We need to provide some flexibility for these people," she said.

Jack Mansun, an assistant to the commissioner for the Department of Revenue, said the goal of electronic filing is to provide more efficiency in the system. He said that by reducing paper filing, data entry mistakes are also reduced.

Mansun said that while the department no longer provides paper sales tax return forms, taxpayers are still allowed to pay with a check and paper payment voucher.

He said a number of people have

complained about not being able to access the system, but the system was available 95 percent of the time in December 2001 and 96 percent of the time in January 2002.

"For a lot of people, it's really working well," Mansun said.

The bill will be considered for possible inclusion in a potential omnibus tax bill.

★ TRANSPORTATION

Running red lights

Motorcyclists could legally run red lights when they are not detected by traffic signals, under a plan approved by the House Transportation Policy Committee Feb. 18.

The bill is not an anarchy measure, but addresses a real problem, explained committee chair and bill sponsor Rep. Tom Workman (R-Chanhassen).

Workman, who owns a motorcycle, said the bill is needed because motorcycles are not big enough to trip the sensors used in most traffic signals.

Ray Egan, executive director of Minnesota Motorcycle Rider's Association, said motorcyclists often sit through four or five light cycles without getting a green light. Often this leads the motorcyclist to become frustrated and run the light illegally, he said.

If another car pulls up behind the motorcycle, the sensor would detect it and the light would change, Egan said. But late at night or in less populated areas, motorcyclists could have to wait a long time for another car, he said.

Only traffic signals made within the last 12 to 15 months are sophisticated enough to detect motorcycles, Egan said. The only other option to solve the problem would be to upgrade every traffic signal older than 15 months, he added.

HF3226 would allow motorcyclists to legally run the red light if they have come to a complete stop and waited "a reasonable amount of time" for the light to change. They could then proceed through the light if it were safe to do so.

Maj. Gene Halverson of the Minnesota State Patrol expressed concern with the vagueness of the time limit.

"Unreasonable' is pretty unenforceable," he said.

However, Halverson agreed the problem is a legitimate one.

"There may be a need for this kind of bill," he said. "We're a little nervous about it, but we're not going to oppose it."

The committee briefly debated adding bicyclists to the bill as well, but Workman decided to wait and consider that option in the House Crime Prevention Committee, where the bill will next be heard.

Curtailing expenses

Legislation would shave \$100 million from projected spending on consultants

By THERESA STAHL

Rep. Barb Goodwin (DFL-Columbia Heights) has a problem with the state's practice of hiring outside consultants.

If you ask, she'll tell you that 2002 marks the 17th year Gary Grosland has consulted with the state on its Medicaid system.

She'll also mention a \$3.7 million contracted food and nutrition Web site, and point out that much larger and more complicated sites of the same quality have been created for much less money.

Goodwin has had people's attention on an issue she's been questioning for 10 years. And now she's got a bill.

The first-term member is sponsoring HF2752, which would require the governor to reduce consultant spending by \$100 million during the current biennium.

"This is taxpayers' money and it's being misused," she told the House State Government Finance Committee Feb. 14.

The state has estimated it will spend \$865 million on consultants this biennium. This represents a 63 percent increase in four years.

Under the bill, the governor could pull consultant spending from state agencies, including health and human services, transportation, natural resources, and education.

HF2752 would also place a moratorium on offices in the executive, legislative, and judicial branch from entering into new or existing contracts for professional or technical services. The committee adopted an amendment that would permit departments to apply for a waiver of the moratorium.

Some state agencies rely heavily on consultants, which makes Goodwin's bill a possible threat to much anticipated work.

"If we did not have the ability to contract it would unravel our entire program," said Howard Bickner, executive director of the Minnesota State Board of Investment.

"The bill would be devastating to MnDOT (Minnesota Department of Transportation)," said Richard Stehr, director of program support for the department. "The moratorium

will bring construction programs way down. We will not be able to deliver those projects."

Stehr said MnDOT is a "technically-oriented organization" that relies on consultants for specialized expertise, research, and short-term projects. He said it is irresponsible to hire an employee for two to three years only to lay them off. Training for employees to perform the work usually completed by consultants would take three to five years in some cases, he added.

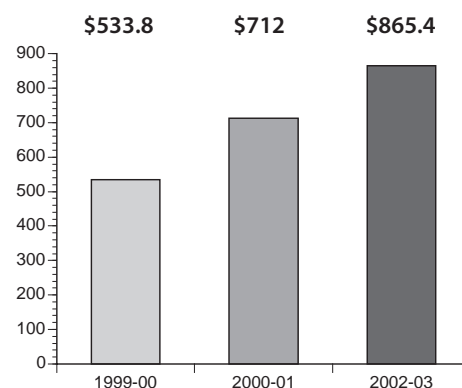
"The use of consultants in the department is not accidental," confirmed Elwyn Tinklenberg, commissioner of MnDOT.

"It's a good tool to hire agencies for short-term projects," Goodwin said. But a rapid increase in the number of consultants the state has hired is due to a lack of control, she said.

Rep. Harry Mares (R-White Bear Lake) asked whether contracts for full- or part-time contracted professors in the Minnesota State College and Universities (MnSCU) system would be included under the bill. It is not clear whether MnSCU falls under purview of the bill, according to the nonpartisan House Research department.

The bill would clean up the definition of a state employee by requiring a contract to establish boundaries of an employment relationship. Goodwin told committee members

State spending for consultants*



*Department of Finance estimates as of January 2001.

Agencies Using Consulting Contracts

Agency	Percent of total - 2002-03*
Transportation	40
Investment Board	13.3
Human Services	11
MnSCU	5.6
Corrections	5.1
Trial Courts	4.8
Pollution Control	3.6
Supreme Court	3.1
Natural Resources	3.5
Economic Security	2
Health	2
Children, Families and Learning	1.8
Higher Education Services	1.8
Revenue	1.7
Employee Relations	1.5
Economic Development	1
Commerce	1
Administration	1
Public Safety	1
Agriculture	less than 1
Finance	less than 1
Constitutional Officers	less than 1
All others	6.9

*Department of Finance estimates as of January 2001.

some contractors, such as Grosland, have their offices in state buildings and use state equipment, such as computers.

Attempts to reach Grosland for comment were unsuccessful.

Goodwin said many of the projects contracted by the state could be completed by state employees at the same quality for a much lower price.

"State employees have the full ability, capabilities, and energy to get the job done," said Jim Monroe, executive director of the Minnesota Association of Professional Employees. The bill would not be "a draconian cut for any agency," he said.

Studies have shown the state pays contracted engineers two to three times more for the same outcome than if they had used a state-employed engineer, according to Glen West, who represents the Minnesota Engineers Council.

Further, West said that consulting firms are sometimes hired to monitor the outcome of consulting firms. He said he hears engineers

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Fighting for funds

Numerous health and human service agencies ask that funding not to be trimmed as House pursues options for budget cuts

Editor's Note: House and Senate leadership announced a budget deal had been negotiated late in the afternoon Feb. 19. The resulting legislation was accelerated through the process, containing information that encompasses all funding areas of state government, potentially making separate omnibus funding bills unnecessary. However, given the possibility that the governor may veto the plan and there may not be enough votes to override any veto in both the House and the Senate, we have decided to include stories about initial budget conversations that have taken place in House committees.

We have also determined that including the testimony about budget cuts is valuable to understanding the issues involved. We hope readers find this information useful.

BY SARAH MCKENZIE

Representatives of the state's nonprofit organizations, health care groups, and local governments mounted an aggressive effort to dissuade members of the House Health and Human Services Finance Committee from slashing funding for their respective programs.

The committee had planned to vote Feb. 22 on a supplemental budget bill that had a target of \$175 million in spending reductions for health and human services programs. However, House and Senate leaders brokered a deal Feb. 19 that largely trumps earlier plans to shore up the \$1.95 billion budget shortfall projected for 2002-03.

Under the new budget agreement, health and human services spending would be cut by about 3 percent, or \$96 million.

Omnibus budget bills must clear committees by March 8.

Committee Chair Rep. Kevin Goodno (R-Moorhead) had laid out \$300 million in savings options for the public Feb. 15, providing the public with a week to mull over the proposals and sign up to testify. More than 80 people did.

Goodno continued with the hearings despite the new budget agreement, cautioning that the new deal might not be veto-proof. Additional spending cuts might be warranted, he said, if a revised economic forecast due out



PHOTO BY TOM OLMSCHEID

Amanda Vala of Plymouth, who is autistic, testifies Feb. 18 before the House Health and Human Services Finance Committee against cuts in medical assistance for autism programs. More than 80 groups and individuals signed up to testify against possible cuts for health and human services functions. No cuts for the autism programs were initially recommended.

before the end of February proves more dismal than the forecast issued last December.

The committee presented more than 20 different savings plans to the public, including repealing an expansion of a children's health insurance plan dubbed "Cover All Kids" and cutting the state's General Assistance Medical Care program, which subsidizes medical care costs for lower income Minnesotans who don't qualify for Medicaid or state health care programs.

Under the new budget agreement, those programs would be spared from cuts.

At the Feb. 18 hearing, Goodno rebuffed criticism that the committee had been unduly harsh in laying out cost-savings options,

pointing out that state spending on health and human services rose 18 percent last year.

However, those who testified in opposition to the committee's proposed bill argued that the cuts would disproportionately hurt the state's senior citizens and children covered by state health insurance plans.

Liz Kuoppala, a policy advocate with the Minnesota Coalition for the Homeless, called the earlier \$175 million reduction target unfair and pressed the committee to reject it. "We already struggle everyday with the pennies we have to make ends meet."

"There will be impacts and there will be consequences," said Marcia Avner, public policy director of the Minnesota Council of Nonprofits. "Cutting grants doesn't make government smaller. It makes communities weaker."

Some testifiers also urged the committee to reject recommendations made by the governor.

Sue Abderholden, executive director of the National Alliance for the Mentally Ill in Minnesota, said the governor's recommendation to cut grants distributed for mental health services by 5 percent would force more patients on the waiting lists for care.

"We're already operating on a lean budget," Abderholden said, adding the state's comprehensive mental health care programs have just begun to evolve. "To cut back now would mean turning back."

Those grants wouldn't face cuts under the House-Senate budget agreement.

Throughout the first hearing, Rep. Fran Bradley (R-Rochester) asked testifiers to identify other possible savings options in their respective programs, but few did.

"We have some belt tightening to do," he said. "This needs to be a specific dialogue."

Dawn Wells, who represented the Minnesota Hospital and Healthcare Partnership at the Feb. 18 hearing, said the governor's proposed hospital payment cuts would trigger a loss of \$30 million in matching federal dollars.

The governor has proposed reducing the state's Medicaid payment to state hospitals by 1 percent, which translates to a \$25 million payment reduction for fiscal years 2003, 2004, and 2005, according to the partnership.

Coupled with the loss of a \$25 million federal matching grant, the state's hospitals would lose \$50 million under Ventura's recommendation, Wells said.

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Holding the line

Criminal justice agency representatives recognize the need for cuts but fight to keep them from running too deep

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We have also determined that including the testimony about budget cuts is valuable to understanding the issues involved. We hope readers find this information useful.

By MICHELLE KIBIGER

A House committee has recommended trimming about \$35 million from the budgets of the state agencies overseeing corrections, public safety, and the courts in light of a projected \$1.95 billion shortfall for fiscal years 2002-03.

The bill (HF3395), sponsored by Rep. Rich Stanek (R-Maple Grove), reflects a combination of spending cuts and balance transfers to the state's general fund.

The House Judiciary Finance Committee approved the bill Feb. 15, though not unanimously. It now moves to the House Ways and Means Committee.

Stanek, the committee chair, acknowledged how difficult the process of determining what to cut was for committee members.

Gov. Jesse Ventura had recommended cuts of about \$35 million for 2002-03, including revenue adjustments, and projected cuts of about \$53 million in 2004-05.

When evaluating the cuts included in the House proposal as a percentage of a department's budget, the state Department of Public Safety would lose the biggest chunk — about 4.3 percent of the department's \$172 million biennial budget.

More than half of the cuts to the agency come from the Center for Crime Victims Ser-

vices and the grants those programs disseminate. Commissioner Charlie Weaver said the cuts may not allow center staff to perform site visits and make sure organizations are complying with the terms of their grants.

He also said some cuts will be absorbed by other parts of the agency, because grant funds have already been awarded.

Domestic violence shelter per diem reimbursement would be cut by \$1.8 million for the biennium. The shelters were granted an extra \$2 million by the 2001 Legislature due to shortfalls shelter officials projected.

The bill would require shelters to report funds they have in reserve, as well.

Another concern for the department are cuts to the State Fire Marshal's office. Fire Marshal Tom Brace testified the cuts would result in elimination of licensed day care inspections because that is the only duty the office performs not ordered by state law.

The office began inspecting in-home and large-facility day cares applying for certification a few years ago under a pilot program that has since expired. Brace said he would have to eliminate nearly two positions with the cuts, and his staff could not cover inspections for approximately 2,500 day care centers that open each year.

Cuts for the other agencies range from 1.5 percent to 2.5 percent of their total budgets.

Officials from Department of Corrections warned the committee that the proposed cuts could undermine public safety in its institutions.

The department initiated \$18 million in cuts from its 2002-03 budget in an effort to reduce per diem costs per inmate, which have been among the highest in the nation for the past several years. Among cost-cutting measures, the department has eliminated nearly 200 officer and administrative positions, largely through attrition.

Deputy Commissioner Dennis Benson estimated that at least another 100 positions would have to be cut to achieve proposed cuts of \$8.2 million at the institutions.

"We can't go any further without putting these young men and women who get up every morning and crawl into a uniform ... in harm's way," Benson said. "It's irresponsible for this agency to stand by and allow what is poor (management of resources)."

The bill also proposes adjustments in juvenile placement grants, extended juvenile justice grants, restorative justice programs, and other programs targeted to reduce recidivism.

Commissioner Sheryl Ramstad-Hvass objected to cuts in research services, saying that the move will hamper the department's ability to produce measurable results requested by the Legislature.

Under the bill, two agencies — the Ombudsman for Corrections and the Ombudsman for Crime Victims — would be eliminated, and the duties transferred into the Department of Corrections and the Department of Public Safety.

Officials from the ombudsman offices expressed concern that moving them into other agencies will not give the offices the necessary resources to investigate grievances from inmates and crime victims.


David Larson, current ombudsman for corrections, said the Legislature should establish a framework for investigating complaints. In addition, he said many complaints the office investigates would likely become lawsuits that could be averted if the office were in place.

Officials also expressed concern that the transfers would undermine their credibility, because they would be expected to investigate officers within their own departments.

Laura Goodman-Brown, crime victims ombudsman, also expressed concern that the duties would be transferred to the Public Safety Department without any funds to perform investigations.

"(The move) cannot in any way improve services to victims of this state," she said.

The bill also calls expenditures for the Auto Theft Prevention Board to be capped at \$1.7 million per year and the remaining \$1.3 million to be transferred to the general fund. Other surcharges would also be transferred to the general fund, under the bill.

Though the Legislature has not appropriated any money for the state agency budgets in 2004-05, the proposed plan would anticipate cutting about \$70 million total from the agencies' base budgets in those years. 

Payment overdue

Plan would establish a program for nonpaying taxpayers that would waive penalties and interest owed on delinquent taxes

By DAVID MAEDA

According to the Department of Revenue the state absorbs a loss of approximately \$300 million every year in unpaid or delinquent taxes. That amount costs each Minnesotan around \$62 in increased taxes or reduced public services.

As part of the 2001 omnibus tax law the department was given authority to publish the names and addresses of individuals and businesses who had the largest unpaid tax liabilities in an effort to encourage them to remit taxes owed.

Department officials told the House Taxes Committee Feb. 19 that the 270 taxpayers were notified of the department's intention to post their names on the Web site. Names were published last November, and 25 businesses and 103 individuals are currently listed on the site.



FILE PHOTO

Commissioner of Revenue Matt Smith testified before the House Taxes Committee Feb. 19, where he expressed mixed reaction to a plan granting amnesty to delinquent taxpayers.

Since November, 25 taxpayers have paid \$419,000 out of a total of \$1.17 million owed.

The program is due to expire June 30, but as part of its policy bill (HF3191) the department has proposed extending the program for another year.

The committee heard a more encompassing proposal (HF2666), sponsored by Rep. Dan Dorman (R-Albert Lea), that would es-

tablish an amnesty program for nonpaying taxpayers that would waive penalties and in some instances, interest owed on delinquent taxes. It would run for three months beginning Aug. 1.

Dorman said the bill's intent wasn't to "thumb our noses at the criminal system" but rather to accelerate revenues due the state.

The concept was used during the state's budget difficulties in 1984 and has been adopted by a number of other states and with revenue collection in the private sector.

In his own tire business, Dorman said he'll sometimes work with customers who are delinquent on their bill and waive any interest or penalties in order to collect expenses "I may not otherwise get."

"When you get out of the realm of state government, this is done quite often," he said.

The program would exclude taxpayers if they have a civil fraud penalty or have failed to file a return and have received a written notice of non-filing.

Qualifiers would be required to have an unpaid tax on the department's accounts receivable system as of Feb. 1, or have not filed a return that would be considered delinquent as of that date, or have underreported taxes owed.

The amount of reduction would vary depending upon the criteria the taxpayer meets.

If the taxpayer is on the department's accounts receivable system as of Feb. 1 all penalties and some interest would be discounted. If filing an amended return all penalties and some interest would be discounted. For non-filers all penalties would be discounted but no interest.

The department estimates that approximately 6,500 debtors would use the amnesty opportunity to file taxes.

Rep. Ron Abrams (R-Minnetonka), the committee chair, said the long term advantage would be having the taxpayers in the system and identifying them for the department, meaning the taxpayer is more likely to pay taxes on an ongoing basis.

Revenue Commissioner Matt Smith expressed mixed feelings about the proposal.

"We welcome the attention to the task of getting better compliance with the tax laws we already have," he said.

But he said the broad amnesty could undermine ongoing criminal investigations, as well as the public's perception that the state should be going after those who do not pay taxes. He said at times the department will have investigations where no notice is given to the taxpayer that they are being investigated because "sometimes it may not result in anything."

Smith said research shows that while collection of the revenue may be accelerated, the overall total collected may not be that much more.


Dick Gebhart, the department's research director, said the 1984 program brought in around \$12 million but there has been no research conducted to determine whether that revenue would have eventually been collected.

For the program to be effective, Smith said the department would have to spend around \$800,000 on a public relations effort that would include contracting a professional agency to get the word out and buying airtime to advertise the message.

John Kingrey, representing the Minnesota County Attorneys Association, spoke against the bill, saying, "The proposal sends an unintended message that tax fraud is not really a serious crime."

He said the penalty exemptions in the bill would create problems for cases that are being prosecuted. He said a defendant could argue that it is unfair to single them out while others with similar cases are granted amnesty.

Dorman said the situation was similar to the existing practice of plea bargain arrangements that lead to different outcomes for similar crimes. He said that he has seen no evidence from the 1984 program or what is occurring in other states to support concerns that the amnesty period would lead to people paying taxes to avoid criminal prosecutions.

The committee took no formal action on the bill, but Abrams said it would be considered for possible inclusion in a potential omnibus tax bill. 

Pay at the pump

Plan would raise gas taxes and change distribution of motor vehicle sales tax revenue

By LISA HILTON

Drivers would be forking over more money for gas in a few years under a plan being considered in the House to raise the state gas tax by 3.5 cents.

HF2939 proposes to increase the tax from 20 cents to 22 cents on July 1, 2003, and then to 23.5 cents one year later.

Rep. Tom Workman (R-Chanhassen), the bill sponsor and chair of the committee, told members of the House Transportation Policy Committee Feb. 19 that the bill is needed to generate new money for transit and roads.

Aside from the gas tax increase, the plan also proposes a change to the state constitution that would dedicate all revenue collected from the vehicle sales tax to transportation functions after June 30, 2004.

That would take about 45 percent of the motor vehicle sales tax, or about \$250 million to \$300 million, out of the general fund and dedicate it to transportation funding.

As with all changes to the constitution, the plan calls for a question to be placed on the general election ballot for voters to approve or deny the proposal.

Workman's bill would also allow the state

to sell \$500 million in general obligation bonds and \$750 million in trunk highway bonds, with the money used to fund transportation projects.

The \$500 million would go to the state Department of Transportation as \$100 million per year for fiscal years 2003 through 2007. That money would pay for public transit capital costs, local bridges, right-of-way acquisition, and other projects.

The \$750 million from the trunk highway fund would be given to the department as \$150 million per year over the same time period, and would be used for congestion reduction and road repair.

Workman said the time for an increase in the gas tax has come. The bill has broad support, he said, noting that he has not received any complaints from his constituents, who almost unanimously oppose new taxes.

The 3.5 cent increase is "very reasonable," Workman said, adding that the bill also has bipartisan support.

But Rep. Ted Winter (DFL-Fulda) criticized the plan, saying it takes \$250 million out of the general fund without replacing it.

"Is this just someone else's problem?" he asked.

He said the plan is similar to Gov. Jesse Ventura's plan that cut license tab fees without replacing the money from other sources, leaving transportation funds wanting.

Spending money the state doesn't have also places a burden on taxpayers in the future, Winter said.

He suggested the state raise the gas tax by 5 cents if it

is going to raise it. "We should pay for the cost of the project if we're going to do it."

But Workman said he doesn't foresee a time when the state will be able to pay cash for transportation projects.

Several members of the business community testified in favor of the plan, saying transportation is critical to economic development.

Jim Wafler, president of the Highway Construction Industry Council, said improved transportation would benefit businesses by stimulating the economy, reducing congestion, and adding jobs.

And although drivers would pay more at the pump, they would also save money because the state would be able to clear up congestion and handle other transportation problems, Wafler said.

According to the Minnesota Transportation Coalition, the average Twin Cities metropolitan area driver spends 35 hours and more than \$600 a year in lost time in traffic jams. By comparison, the increased gas tax would cost the average driver about \$37.50 per year, he said.

Since interest rates are so low, now is also a good time to bond for the money, Wafler said.

Although some business representatives felt the bill should have been different, Carolyn Jones, director of transportation policy with the Minnesota Chamber of Commerce, said the bill was one the chamber felt both Democrats and Republicans could support.

Ron Lifson, general manager of Liberty Diversified Industries Fibres, said improved transportation would save his company millions of dollars each year. His company makes and markets paper, plastics, and other materials in Minnesota.

About 1,700 truckloads of material are shipped from the company's Becker facility alone, Lifson said. If each truck has to sit for an hour in traffic, that is \$1.2 million per year in lost operating costs and 200,000 wasted gallons of fuel, he said.

The state should approach transportation funding as homeowners consider their mortgage, Lifson said. It is a continuous but necessary payment, he said.

Workman said the final form of the bill is still uncertain, noting that there are still many issues that need to be debated.

The committee referred the bill without recommendation to the House Transportation Finance Committee.



PHOTO BY TOM OLMSCHIED

Jim Wafler, center right, president of the Highway Construction Industry Council, testifies in support of a bill that would increase the gas tax and would modify highway funding during a Feb. 19 hearing of the House Transportation Policy Committee. Others testifying for the bill include Dennis Eagan of the Rochester Chamber of Commerce, left, Carolyn Jones, center left, director of transportation policy with the Minnesota Chamber of Commerce, and Ron Lifson, general manager of LDI Fibres, right.

Continued from page 4

receives \$800,000 from the natural resources fund in 2002 and \$850,000 in 2003, but the general fund appropriation is cut by \$5.38 million in 2003.

Gov. Ventura recommended \$25.5 million in total general fund reductions for 2002-03.

Family, early childhood education

The bulk of the \$4 million in cuts would come in the area of child care funding with a \$3.5 million reduction in the basic sliding fee general fund appropriation. Gov. Ventura had recommended \$7.1 million in total cuts.

The bill would also remove a requirement that the Department of Children, Families and Learning hire a state Adult Basic Education director in 2002.

Health and human services

The Department of Human Services would see a \$8.9 million reduction in 2003 and a \$4.8 million cut in 2004-05. Included in the cuts would be a one-time administration reduction of \$4.1 million and a cut to the agency's base of \$3.4 million.

Rep. Kevin Goodno (R-Moorhead), chair of the House Health and Human Services Finance Committee, said the cuts were made trying to minimize the effects on the state's most vulnerable people. But Goodno said such cuts were difficult because most of the programs in the area deal in some way with those individuals.

The regional treatment centers in Willmar and Fergus Falls would continue to operate, but the bill states that it is the intention of the Legislature to downsize the Fergus Falls center.

Gov. Ventura had recommended total cuts of \$110 million in 2002-03.

Higher education

The chair of the House Higher Education Finance Committee, Rep. Peggy Leppik (R-Golden Valley), said that in deciding what areas to cut, efforts were made to reduce the impact on students, including trying to minimize potential tuition increases.

The University of Minnesota would receive a reduction of \$23.6 million in 2003 while MnSCU institutions receive a \$22.6 million cut this biennium. The governor would have cut higher education by \$70 million for the biennium. For the next biennium, the university would see a reduction of \$25.9 million each year and MnSCU a \$24.4 million reduction annually.

The Higher Education Services Office would see a \$3.6 million cut this biennium.

Judiciary

There would be a \$26.3 million reduction in the areas of corrections, public safety and the courts. The governor proposed cuts of \$35 million for those areas.

Stanek, the chair of the House Judiciary Finance Committee, said cuts were made keeping in mind that "public safety is a core function of government."

Adult correctional institutions would see a \$6.9 million cut while community services programs would be reduced by \$7.9 million during the biennium.

K-12 education

K-12 appropriations would be cut \$15 million in the current biennium and \$30 million in the next biennium. Gov. Ventura recommended \$100 million in cuts to K-12 education for 2002-03.

The Department of Children, Families and Learning would see a \$6.6 million reduction to its budget in the current biennium.

Other cuts include a \$1.3 million reduction to the teacher alternative compensation pool, a \$1 million cut in the appropriation for school evaluation services, and a \$750,000 reduction for the Perpich Center for Arts Education.

State government

The constitutional officers, state agencies, boards, commissions, and Legislature would see a \$41.9 million cut, under the plan.

The Department of Revenue would take the biggest hit, a reduction of \$14 million from its budget. The governor's budget would be reduced \$1.1 million this biennium, and the Legislature's budget would see a \$2.2 million reduction.


Governor's recommendations for state government cuts were \$53.2 million.

Transportation

Transportation funding would be reduced by \$4 million under the bill. The measure incorporates a governor's recommendation to reduce the Metropolitan Council's transit administrative base budget by \$600,000.

Rep. Carol Molnau (R-Cologne), chair of the House Transportation Finance Committee, said the cut may be made up by reduced bus routes on underused routes or through increased fares.

The bill would reduce Capitol Security executive protection by \$175,000 and reduce the Driver and Vehicle Services budget by \$200,000, with a provision prohibiting closing driver exam stations in Greater Minnesota.

The governor had initially recommended total cuts of \$232 million for transportation in 2002-03. However, that included converting \$245 million from cash to bonds, a proposal which the conference committee did not deal with in its bill. 

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saying they're constantly having to re-do projects, which takes extra time and often causes delay.

Rep. Phyllis Kahn (DFL-Mpls) said she questions oversight of consultants from the Department of Administration, as well as internal advertising for consulting projects. Kahn said she will later have an amendment that would bring competition into the selection process.

"It's not a competitive process for the most part," Goodwin said.

Rep. Sondra Erickson (R-Princeton) asked if an increase in the need for consultants had been examined with more money going to a growing number of state projects. Goodwin admitted that the issue of how government growth reflects consultant contracts needs attention.

The bill would require the legislative auditor to submit to the Legislature a review of contracting practices by major state departments. The report would include compliance with the law, length of contracts, and average hourly costs for contractors compared with costs of using state employees.

The committee did not act on the bill but may consider it for inclusion in any omnibus bill it forwards to the full House. 

Minnesota State Agencies

(Area code 651)

Administration	296-6013
Agriculture	297-2200
Children, Families and Learning	582-8200
Commerce	296-4026
Corrections	642-0200
Economic Security	296-3644
Employee Relations	297-1184
Job Information	296-2616
Finance	296-5900
Health	215-5803
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
Pollution Control Agency	296-6300
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
Public Service	296-5120
Revenue	
Taxpayer Assistance	296-3781
Toll Free	1-800-652-9094
Trade and	
Economic Development	297-1291
Office of Tourism	296-5029
Transportation	296-3000
Veterans Affairs	296-2562
State Information	296-6013

The governor's plan also recommends a 1 percent cut in the MinnesotaCare hospital reimbursement rate, resulting in a \$10 million reduction in state funding and \$5 million cut in federal payments.

The House and Senate budget agreement would reduce the reimbursement rates by 0.5 percent.


Wells, an administrator at St. James Health Services, said the cuts would exacerbate the financial problems faced by many Minnesota hospitals.

The current level of funding from the government doesn't meet provider costs, she said, prompting some hospitals to close doors — a trend that has limited options for some in Greater Minnesota.

Dakota County Commissioner Joe Harris, chairman of the Metropolitan Inter-County Association, said counties might be left paying for a larger portion of health and human services if state funding dries up for mandated programs.

"When you take a piece here and a piece there — there is a domino effect," Harris said at a Feb. 20 hearing.

In response, Rep. Jim Abeler (R-Anoka) pressed Harris to present the committee with a list of funding priorities.

He said counties have asked the state to "hit us in the shoulder, not the heart," but Abeler said county officials haven't been more specific about their needs. 

What's on the Web

Mailing lists, member pages

Members of the House of Representatives are utilizing more Web-based resources to reach constituents.

Both the DFL and Republican caucuses have Web sites containing information about members and House events. The pages include news from the caucus, specific members' views on issues, photos, and event listings.

Individuals can also sign up for e-mail newsletters, now being maintained by more than 50 members.

Access the Web sites at the following links: **www.house.mn/gop** and **www.house.mn/dfl**

There are also still a number of nonpartisan House resources located on the Web site.



Demonstrating how absorbed lawmakers have been in crafting a solution, Sen. Doug Johnson (DFL-Tower) expressed a desire to move the conference committee hearing on the House-Senate budget agreement along on Feb. 20 so he could get home in time to watch his favorite night of television, including *The West Wing* and *Law and Order*.

However, the senator seemed unaware that those programs have been preempted by the Olympic games in Salt Lake City.

At the start of the Feb. 18 House Jobs and Economic Development Finance Committee last week, Chair Rep. Dan McElroy (R-Burnsville) jokingly asked current St. Paul Mayor and former state representative and senator Randy Kelly how he would like to be addressed.

"You've been demoted to mayor," McElroy said, with a grin.

"As a former House member, we should treat him with respect," said Rep. Tom Osthoff (DFL-St. Paul), whose bill Kelly was there to support.

"Should I call you 'representative?'" McElroy asked.

"Call him anything you want, just vote for the bill," Osthoff replied.

First deadline past

The first committee deadline for the 2002 legislative session has passed, as of the end of the day Feb. 22. All bills in the House must have passed through the necessary House policy committees by that deadline. The same is true in the Senate.

Bills can still be forwarded from those committees, but the bill sponsors must appeal to the House Rules and Legislative Administration Committee to vary from the deadline schedule.

The next deadline, March 1, affects House bills in Senate policy committees and Senate bills in House policy committees. Those bills must be approved and sent to the next step by that date.

The final deadline for all omnibus finance bills to be out of committees in both houses is March 8. Exceptions to these rules include committees governing taxes and capital investment.

Thursday, February 14

HF3434—Rhodes (R) Commerce, Jobs & Economic Development

Responsible lending act of 2002 adopted enacting restrictions on certain home loans.

HF3435—Lenczewski (DFL) Local Government & Metropolitan Affairs

Hennepin County design-build contracts provided.

HF3436—Rukavina (DFL) Commerce, Jobs & Economic Development Policy

Minimum wage increased.

HF3437—Johnson, R. (DFL) Higher Education Finance

South Central Technical College projects funding provided, bonds issued, and money appropriated.

HF3438—Gunter (R) Environment & Natural Resources Finance

Blue Earth County Rapidan dam renovation funding provided, bonds issued, and money appropriated.

HF3439—Gunter (R) Judiciary Finance

Fairmont County juvenile temporary holdover facility grant provided, and money appropriated.

HF3440—Workman (R) Transportation Policy

Utility facilities relocation and new installation regulated relating to construction projects in highway right-of-way.

HF3441—Krinkie (R) State Government Finance

Budget submission and revenue forecast deadlines modified.

HF3442—Hausman (DFL) Transportation Policy

Highway mobility account established for improvement projects and bus transit projects, fuel tax imposed, and bus service fund use restrictions repealed.

HF3443—Juhnke (DFL) Civil Law

Nonprofit environmental learning center defined as municipality for purposes of tort claims.

HF3444—McElroy (R) Jobs & Economic Development Finance

Jobs and economic development programs appropriations modified, funds transferred, and money appropriated.

HF3445—Wagenius (DFL) Commerce, Jobs & Economic Development Policy

Neighborhood organization election, voting rights, and meeting notice options provided.

HF3446—Abeler (R)

Jobs & Economic Development Finance

Livable communities grant program funding provided, bonds issued, and money appropriated.

HF3447—Knoblach (R) Commerce, Jobs & Economic Development Policy

Housing and real property benefit data classified.

HF3448—Dempsey (R) Crime Prevention

Assault of a school official inflicting bodily harm felony penalty provided.

HF3449—Swenson (R) Agriculture Policy

Livestock, poultry, or wild deer pathogen introduction or threatened introduction prohibited; civil action created; and criminal penalties imposed.

HF3450—Mulder (R) Taxes

Wind energy conversion systems property tax exemption provided for systems installed after Jan. 1, 2002; and production tax imposed.

HF3451—Holsten (R) Environment & Natural Resources Finance

School air quality; indoor real time air quality monitors pilot project funding provided, bonds issued, and money appropriated.

HF3452—Paulsen (R) Environment & Natural Resources Finance

State park and recreation area improvements, restoration, and acquisition funding provided; bonds issued; and money appropriated.

HF3453—Knoblach (R) Jobs & Economic Development Finance

St. Cloud Civic Center grant provided, bonds issued, and money appropriated.

HF3454—Lenczewski (DFL) Taxes

Local government aid city aid base reduced as aid appropriations increase.

HF3455—Leighton (DFL) Civil Law

Marital agreement act adopted.

HF3456—Davnie (DFL) Education Policy

Sexually transmitted diseases education program provision modified.

HF3457—Rhodes (R) Transportation Policy

Selective service system registration required for driver's license issuance.

HF3458—Blaine (R) Environment & Natural Resources Finance

Little Falls; Hennepin Paper Company property environmental cleanup bonds issued, and money appropriated.

HF3459—Osskopp (R) Regulated Industries

911 calls in multi-line telephone systems practices prohibited and training required.

HF3460—Kuisle (R) Taxes

Aggregate materials and concrete block delivery charges taxed, and contract transition language provided.

HF3461—Workman (R) Transportation Policy

Recreational vehicle trail or bikeway establishment limitation provided.

HF3462—Mulder (R) Commerce, Jobs & Economic Development Policy

Funeral trust account provisions modified.

HF3463—Osthoff (DFL) Transportation Finance

St. Paul; Snelling bus garage funding provided, bonds issued, and money appropriated.

HF3464—McElroy (R) Commerce, Jobs & Economic Development Policy

Money transmitter act small business category created and regulations modified.

HF3465—Erickson (R) Education Policy

Open enrollment student athletic activity participation restricted for one school year.

HF3466—Entenza (DFL) K-12 Education Finance

Health and safety program broadened to include school safety costs associated with counselors and support workers.

HF3467—Entenza (DFL) Local Government & Metropolitan Affairs

St. Paul library agency created, and proposed property tax notices modified.

HF3468—Stang (R) Commerce, Jobs & Economic Development Policy

Liquor sales exempted from on-sale hours restrictions in certain instances.

HF3469—Erickson (R) Education Policy

School district advisory committee members provided an opportunity to testify before school board votes on committee recommendations.

HF3470—Erickson (R) Environment & Natural Resources Policy

Garrison-Kathio-West Mille Lacs sanitary district state funding requirements provided.

HF3471—Holberg (R) Civil Law

Sexual harassment definition clarified.

HF3472—Entenza (DFL) Commerce, Jobs & Economic Development Policy

Fire insurance policy amount collectible regulated.

HF3473—Bradley (R) Health & Human Services Policy

Medical education funds distributed.

HF3474—Anderson, I. (DFL) Governmental Operations & Veterans Affairs Policy

Retirement; pre-1973 retirement benefit change authorized reversing 2001 conversion from lump-sum payment to monthly benefit increase.

HF3475—Entenza (DFL) Commerce, Jobs & Economic Development Policy

Antitrust case alternative civil penalty provided.

HF3476—Anderson, I. (DFL) Taxes

Levy limit base calculation modified.

HF3477—Wagenius (DFL)
Agriculture Policy
Bottled water manufacturers specific source and health information required.

HF3478—Walker (DFL)
Health & Human Services Policy
Foster care rate defined, relative custody assistance payment rate and adoption assistance rate modified, and money appropriated.

Monday, February 18

HF3479—Abeler (R)
Health & Human Services Policy
Medical assistance prepayment demonstration project limitation of choice provision modified.

HF3480—Abeler (R)
Taxes
Market value growth limited on all property, new improvements market value phased-in, current limited market value phase-out repealed, and limited market value made permanent.

HF3481—Walker (DFL)
Health & Human Services Policy
County human services emergency financial assistance time period extended.

HF3482—Huntley (DFL)
Commerce, Jobs & Economic Development Policy
Tanning facilities parental consent required prior to initial exposure.

HF3483—Vandever (R)
Local Government & Metropolitan Affairs
Advertising; local restrictions authorized on outdoor advertising in zoned commercial or industrial areas.

HF3484—Rhodes (R)
Commerce, Jobs & Economic Development Policy
Payday loans regulation modified relating to consumer small loans.

HF3485—Schumacher (DFL)
Transportation Policy
Seasonal fruit and vegetable business signs allowed in state highway right-of-way.

HF3486—Clark, J. (R)
Crime Prevention
Criminal sexual conduct crimes first through fourth degree minimum sentences specified.

HF3487—Davnies (DFL)
Education Policy
Violence, discrimination, intimidation, and harassment against youth elimination task force established.

HF3488—Kelliher (DFL)
Environment & Natural Resources Policy
Pesticide use regulation clarified and increased, fees increased, records classified as public data, pollutant definition expanded, groundwater monitoring increased, and task force established.

HF3489—Dawkins (DFL)
Civil Law
Child protection proceedings; child's rights and status as a party clarified.

HF3490—Mullery (DFL)
Transportation Policy
Parked vehicles required to be parallel with curb.

HF3491—Mullery (DFL)
Local Government & Metropolitan Affairs
Housing replacement district maximum parcels increased for specified cities.

HF3492—Davids (R)
Commerce, Jobs & Economic Development Policy
Joint underwriting association procedures modified to include avoidance of grave risk.

HF3493—Abeler (R)
Commerce, Jobs & Economic Development Policy
Acupuncture insurance coverage required under specified policies, claim determinations provided, and reporting required.

HF3494—Stanek (R)
Crime Prevention
Guilty but mentally ill plea and verdict provided.

HF3495—Winter (DFL)
Local Government & Metropolitan Affairs
Nobles County auditor-treasurer and recorder appointment provided.

HF3496—Lenczewski (DFL)
Governmental Operations & Veterans Affairs Policy
Casino; state-operated or state-licensed gambling facility prohibited in a city which has adopted a resolution of disapproval.

HF3497—Davids (R)
Commerce, Jobs & Economic Development Policy
Insurance fraud prevention division established within the department of commerce; chiropractic license revocation grounds provided, financial interest disclosure required, arbitration removal provided, and money appropriated.

HF3498—Harder (R)
Regulated Industries
Telecommunications competition promoted, structural separations required, public utilities commission transaction approval provided, and completion of structural separation required by a date certain.

HF3499—Entenza (DFL)
Local Government & Metropolitan Affairs
St. Paul civil service separation retroactive effective date established.

HF3500—Kuisle (R)
Transportation Policy
Towing and recovery vehicle operator certification required.

HF3501—Gunther (R)
K-12 Education Finance
Independent School District No. 2071, Lake Crystal-Wellcome Memorial, debt service equalization program equalizing factor increased.

HF3502—Gunther (R)
K-12 Education Finance
Debt service equalization program equalizing factor increased.

HF3503—Daggett (R)
Taxes
Bakery goods including bread, and other foods, specifically exempted from the prepared foods sales tax.

HF3504—Goodno (R)
Health & Human Services Policy
Human services hearing procedures established.

HF3505—Marko (DFL)
Commerce, Jobs & Economic Development Policy
Body piercing services parental consent required, and misdemeanor penalty provided.

HF3506—Ozment (R)
Environment & Natural Resources Policy
State and local auditing procedures and reporting practices modified.

HF3507—Abeler (R)
Health & Human Services Policy
Emergency foster care emergency license requirements provisions expanded.

HF3508—Tingelstad (R)
Health & Human Services Policy
Cancer; drinking water, air, and land protection provided from chemicals found to cause cancer or reproductive toxicity.

HF3509—Howes (R)
Local Government & Metropolitan Affairs
Housing and redevelopment officers conflict of interest exception provided.

HF3510—Dorman (R)
Taxes
Albert Lea local sales and use tax authorized and fund usages specified.

HF3511—Mulder (R)
Local Government & Metropolitan Affairs
Rock County auditor-treasurer and recorder appointment authorized.

HF3512—Cassell (R)
Environment & Natural Resources Policy
Garfield land exchange authorized.

HF3513—Blaine (R)
Governmental Operations & Veterans Affairs Policy
Education-related protections provided for persons called to active military service.

HF3514—Blaine (R)
Transportation Policy
Brainerd Lakes rest area on State Highway 371 conditions and exceptions provided.

HF3515—Winter (DFL)
Local Government & Metropolitan Affairs
Murray County recorder appointment authorized.

HF3516—Osskopp (R)
Commerce, Jobs & Economic Development Policy
Electrician power limited licensing classifications provided.

HF3517—Otremba (DFL)
Health & Human Services Policy
Family planning special projects grants allocation modified.

HF3518—Krinkie (R)
Local Government & Metropolitan Affairs
Residential building inspection methods provided.

HF3519—Ozment (R)
Environment & Natural Resources Policy
Recyclable material container requirements for public entities application modified.

HF3520—Mullery (DFL)
Civil Law
Tenant applicant screening fees provisions modified.

HF3521—Harder (R)**Health & Human Services Policy**

Residential treatment facility choice and medical assistance facility reimbursement for services to children with emotional disturbances provided.

HF3522—Dorman (R)**Taxes**

Nexus rules for affiliated companies provided.

HF3523—Erickson (R)**Education Policy**

American Indian education programs efficacy study required.

HF3524—Dawkins (DFL)**Governmental Operations & Veterans Affairs Policy**

Accessible building entrances provisions clarified.

HF3525—Holberg (R)**Transportation Policy**

National highway system compliance with interstate highway final construction plan required.

HF3526—Entenza (DFL)**K-12 Education Finance**

School district retired employee health benefits levy extended.

HF3527—Bakk (DFL)**Environment & Natural Resources Policy**

Timber sale provisions on tax-forfeited land modified.

HF3528—Workman (R)**Transportation Policy**

Motor vehicle seasonal weight restriction permits provided.

HF3529—Abeler (R)**Education Policy**

Teacher and community expert license display required, non-licensed community expert teaching limited, optional community expert credential provided, teaching standards grant increased, rulemaking provided, and money appropriated.

HF3530—Abeler (R)**Education Policy**

Teachers and districts alternate bargaining deadline imposed.

HF3531—Biernat (DFL)**Governmental Operations & Veterans Affairs Policy**

Affirmative action program modified.

HF3532—Krinkie (R)**Civil Law**

Statutory home warranty breach actions limitation specified.

HF3533—Buesgens (R)**Civil Law**

Child abuse false report penalty increased, background checks for court personnel and parenting time supervisors required, immunity of child protection workers reduced, and guideline usage required.

HF3534—Molnau (R)**Transportation Policy**

Trooper enforcement activity prohibited as a measure of performance.

HF3535—Anderson, I. (DFL)**Environment & Natural Resources Policy**

Itasca County land conveyance authorized.

HF3536—Sviggum (R)**Governmental Operations & Veterans Affairs Policy**

Hayfield; survivor benefit authorized for spouse of former Hayfield police chief.

HF3537—Rhodes (R)**Governmental Operations & Veterans Affairs Policy**

Firefighter interest arbitration provision expiration date extended.

HF3538—Haas (R)**K-12 Education Finance**

School district fund transfers authorized.

HF3539—Dawkins (DFL)**Civil Law**

Counseling procedures clarified.

HF3540—Gray (DFL)**Governmental Operations & Veterans Affairs Policy**

Civil rights restoration and eligibility to vote provisions changed.

HF3541—Seagren (R)**K-12 Education Finance**

Independent School District No. 709, Duluth, referendum transfer adjusted.

Tuesday, February 19

HF3542—Fuller (R)**Local Government & Metropolitan Affairs**

Emergency medical aid arrangement procedure provided, cities or non-profit firefighting corporations authorized to impose a service charge, and delinquent charges collection provided.

HF3543—Gleason (DFL)**Health & Human Services Policy**

Prescription drug access program established.

HF3544—Stang (R)**Crime Prevention**

Domestic abuse investigation fee reinstated.

HF3545—Fuller (R)**Crime Prevention**

DWI; staggered sentencing program established for DWI offenders.

HF3546—Fuller (R)**Local Government & Metropolitan Affairs**

Emergency medical aid arrangements procedure provided, cities or non-profit firefighting corporations authorized to impose service charge for emergency services, and collection of delinquent charges provided.

HF3547—Hausman (DFL)**Regulated Industries**

Nuclear waste council restructured as the nuclear waste security council under the commissioner of commerce, and money appropriated.

HF3548—Hausman (DFL)**Governmental Operations & Veterans Affairs Policy**

Teachers retirement association military service credit purchases payment amount determinations modified.

HF3549—Fuller (R)**Taxes**

Resort property tax payment date deadline delayed.

HF3550—Stanek (R)**Crime Prevention**

DNA collection law scope expanded.

HF3551—Carlson (DFL)**Civil Law**

Victim support services classified.

HF3552—Sykora (R)**Taxes**

Licensed child care facility property tax classified as 4c for property tax purposes.

HF3553—Mulder (R)**K-12 Education Finance**

Secondary sparsity education revenue modified.

HF3554—Sertich (DFL)**Commerce, Jobs & Economic Development Policy**

Employee layoff early warning system established, and notice requirements reinstated.

HF3555—Wasiluk (DFL)**Environment & Natural Resources Policy**

Persistent bioaccumulative toxic chemical reduction provisions required, surcharges provided, permit information and funding established, bonds issued, and money appropriated.

HF3556—Erhardt (R)**Governmental Operations & Veterans Affairs Policy**

Flag; state flag design task force established.

HF3557—Harder (R)**Jobs & Economic Development Finance**

Red Rock rural water system funding provided for the southwest Minnesota regional water project, bonds issued, and money appropriated.

HF3558—Anderson, B. (R)**Governmental Operations & Veterans Affairs Policy**

Congressional Medal of Honor recipients made eligible for state-paid life, hospital, medical, and dental insurance.

HF3559—Stanek (R)**Education Policy**

School closing additional notice required.

HF3560—Bishop (R)**Environment & Natural Resources Finance**

Rochester multiple state agency regional office and fleet management facility construction funding provided, bonds issued, and money appropriated.

HF3561—Jennings (DFL)**Regulated Industries**

Telecommunications consumer privacy act established requiring consent for disclosure of consumer information, and providing penalties.

HF3562—Lenczewski (DFL)**Ways & Means**

State bond rating effects consideration required.

HF3563—Clark, J. (R)**Civil Law**

Domestic abuse; providing for effect of recognition of paternity upon temporary custody, and for presumption concerning an order of protection.

HF3564—Paulsen (R)**Environment & Natural Resources Policy**

Deer management use of silencers authorized.

HF3565—Johnson, S. (DFL)**Transportation Policy**

Metropolitan Airports Commission required to provide restrooms for drivers of ground transportation vehicles.

HF3566—Vandever (R)**Transportation Policy**

Lottery receipts portion dedicated to trunk highway improvements, and money appropriated.

HF3567—Evans (DFL)**Taxes**

New Brighton public safety facility construction materials sales tax exemption provided.

HF3568—Smith (R)**Civil Law**

Child residency removal procedures modified.

HF3569—Dehler (R)**Agriculture Policy**

Hemp; Congress and the U.S. Government urged by resolution to develop industrial hemp definitions to distinguish it from marijuana.

Wednesday, February 20

HF3570—Gunter (R)**Regulated Industries**

Public telecommunications services fund established, public telecommunications network support and access fee provided, and money appropriated.

HF3571—Rhodes (R)**Jobs & Economic Development Finance**

Family homeless prevention and assistance program funding provided, and money appropriated.

HF3572—Evans (DFL)**Taxes**

New Brighton public safety building construction materials sales tax exemption provided.

HF3573—Greiling (DFL)**K-12 Education Finance**

Integration revenue additional levies authorized for specified school districts.

HF3574—Marquart (DFL)**Taxes**

Property tax notice lake improvement district amount required to be shown separately.

HF3575—Bishop (R)**Governmental Operations & Veterans Affairs Policy**

Legislative approval of state employee collective bargaining agreement eliminated.

HF3576—Holsten (R)**Environment & Natural Resources Policy**

Aquatic plant control permit provisions modified, and maximum fee eliminated.

HF3577—Dawkins (DFL)**Taxes**

Tax provisions updated to conform with internal revenue code updates relating to victims of terrorism.

HF3578—Ozment (R)**Crime Prevention**

Firearms; prohibition on furnishing a firearm to a minor modified.

HF3579—Holberg (R)**Civil Law**

Domestic abuse; misdemeanor standard clarified for violation of an order for protection or no contact order.

HF3580—Otremba (DFL)**Transportation Policy**

Motor vehicle registration options provided for trailers with gross weight under 3,000 pounds.

HF3581—Otremba (DFL)**Taxes**

Agricultural homestead market value credit increased.

HF3582—Dawkins (DFL)**Civil Law**

Child support guidelines established.

HF3583—McElroy (R)**Taxes**

Electric generation facility attached machinery property tax exemption provided, construction materials sales tax exemption provided, abatements authorized, and wind energy conversion systems exempted from property taxes.

HF3584—Holberg (R)**Civil Law**

Judgement calculation interest rate formulas modified.

Thursday, February 21

HF3585—Dawkins (DFL)**Taxes**

Rental housing class 4d valuation of certified property provided.

HF3586—Leighton (DFL)**Commerce, Jobs & Economic Development**

No-fault auto insurance inflationary adjustments provided.

HF3587—Vandever (R)**Civil Law**

Electronic real estate records documentation standards modified relating to a pilot project.

HF3588—Seagren (R)**Taxes**

Bloomington lodging tax increase authorized.

HF3589—Ness (R)**Education Policy**

School bus safety training, district responsibilities, and type III vehicle standards modified.

HF3590—Dibble (DFL)**Commerce, Jobs &****Economic Development**

Motor vehicle dealers required to notify consumers of recall repairs.

HF3591—Bishop (R)**Taxes**

Rochester lodging tax authorized.

HF3592—Bishop (R)**Crime Prevention**

Extended jurisdiction juveniles stayed sentence automatically revoked upon violation of stayed sentence.

HF3593—Jennings (DFL)**Transportation Policy**

Global positioning system, (GPS), emergency response assistance account established, and money appropriated.

HF3594—Abrams (R)**Taxes**

Tax provisions federal update provided.

HF3595—Paulsen (R)**Taxes**

Energy efficient propane gas furnaces and water heaters sales tax exemption provided.

HF3596—Kelliher (DFL)**Environment & Natural****Resources Policy**

Bear season opening day required to be no earlier than the day after Labor Day.

HF3597—Seifert (R)**Governmental Operations & Veterans Affairs Policy**

Campaign spending limits increased for certain constitutional and other candidates.

HF3598—Osskopp (R)**Governmental Operations & Veterans Affairs Policy**

Gambling device sales regulation provided relating to federally recognized Indian tribes.

HF3599—Westrom (R)**Transportation Policy**

Spinal cord injury research board established, trust account created, optional donation for research provided on driver's license application, and driver's license reinstatement fee increased for alcohol-related revocations.

HF3600—Hilty (DFL)**Commerce, Jobs &****Economic Development Policy**

Advertising promoting nonprofit organized youth recreational activities allowed adjacent to roads.

HF3601—Leighton (DFL)**Civil Law**

Health record and medical information release provisions clarified.

HF3602—Molnau (R)**Transportation Policy**

Local road improvement fund established, standing appropriation provided, fund expenditure criteria specified, and bonds issued.

HF3603—Evans (DFL)**Environment & Natural Resources Policy**

Mounds View tax-forfeited land parcel conveyance provided.

HF3604—Marquart (DFL)**Education Policy**

Youth policy study and report authorized.

HF3605—Pugh (DFL)**Transportation Policy**

Metropolitan Airports Commission required to provide equivalent funding for all designated reliever airports.

HF3606—Kuisle (R)**Education Policy**

English proficiency test to identify limited English proficient pupils delayed.

Where to find information

Chief Clerk's Office

211 State Capitol (651) 296-2314

The Chief Clerk's Office provides copies of bills at no charge, all agendas for House sessions, and the Journal of the House.

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MONDAY, Feb. 25

8:15 a.m.

GOVERNMENTAL OPERATIONS & VETERANS AFFAIRS POLICY

Basement Hearing Room
State Office Building
Chr. Rep. Jim Rhodes

Agenda: HF3029 (Boudreau) Energy building code requirements changed in certain instances. HF3575 (Bishop) Legislative approval of state employee collective bargaining agreement eliminated.

HF2587 (Kahn) Minnesota Twins community ownership process provided.

HF2252 (Hilstrom) Hennepin County Soil and Water Conservation District supervisor appointment and transition from an elected to an appointed board provided.

JOBS & ECONOMIC DEVELOPMENT FINANCE

200 State Office Building
Chr. Rep. Dan McElroy

Agenda: Presentation of capital budget projects: HF3067 (Clark, J.) Children's Theatre Company renovation and construction.

HF2994 (Bishop) Rochester art center construction.

HF3453 (Knoblach) St. Cloud Civic Center grant.
Note: The committee will reconvene Monday evening (time to be announced) in 300N State Office Building to discuss its capital bonding proposal.

JUDICIARY FINANCE

500S State Office Building
Chr. Rep. Rich Stanek

Agenda: To be announced.

TRANSPORTATION FINANCE

5 State Office Building
Chr. Rep. Carol Molnau

Agenda: HF3114 (Stanek) Transportation department radio communications system infrastructure funding provided, and money appropriated.

HF647 (Westerberg) East Bethel; Trunk Highway No. 65 improvement bonds issued.

HF3104 (Dorn) DM&E Railroad mitigation grants provided to cities, bonds issued, and money appropriated.

HF2743 (Workman) Trunk Highway 212 multilane divided highway construction funding provided and money appropriated.

HF3065 (Workman) Trunk highway turnback and contemplated turnback rehabilitation funding provided, bonds issued, and money appropriated.

HF3232 (Clark, J.) Minnesota transit operating and capital assistance funding provided, bonds issued, and money appropriated.

9:30 a.m.

ADD

RULES & LEGISLATIVE ADMINISTRATION

400N State Office Building
Chr. Rep. Tim Pawlenty

Agenda: Calendar for the Day for Tuesday, Feb. 26.

10:15 a.m.

CIVIL LAW

Basement Hearing Room
State Office Building

Chr. Rep. Steve Smith

Agenda: HF3206 (McElroy) Health commissioner occupational safety responsibilities eliminated in certain instances and penalty limits for certain violations increased. HF3031 (Mulder) Minnesota Emergency Health Powers Act adopted, emergency declaration provisions modified, health conditions reporting required, and property control special powers authorized.

HF3240 (Clark, J.) Electronic voting authorized for cooperatives.

HF3048 (Workman) Criminal penalties for persons who promote, advocate, and take responsibility for criminal acts provided.

ENVIRONMENT & NATURAL RESOURCES FINANCE

10 State Office Building
Chr. Rep. Mark Holsten

Agenda: HF586 (Seifert) Minnesota River Basin Projects, Inc.; floodwater control grant provided and money appropriated.

HF1386 (Ozment) Shoreland protection program established, grants provided, and money appropriated.

HF2543 (Clark, J.) New Ulm recreational trail construction funding provided, bonds issued, and money appropriated.

HF2579 (Nornes) Fergus Falls solid waste combuster pollution control equipment upgrade grant provided, bonds authorized, and money appropriated.

HF2690 (Davids) Reinvest in Minnesota (RIM) conservation reserve program funding provided, bonds issued, and money appropriated.

HF2776 (Mulder) Casey Jones trail capital planning, acquisition, and development funding provided, bonds issued, and money appropriated.

HF2885 (McElroy) Minnesota Zoological Garden facilities and business master plan phase I funding provided, bonds issued, and money appropriated.

HF2892 (Tuma) Water and land resource improvement funding provided, bonds issued, and money appropriated.

HF3308 (Cassell) Solid waste capital assistance

grants program funding provided, bonds issued, and money appropriated.

HF3451 (Holsten) School air quality; indoor real time air quality monitors pilot project funding provided, bonds issued, and money appropriated.

HF3560 (Bishop) Rochester multiple state agency regional office and fleet management facility construction funding provided, bonds issued, and money appropriated.

Note: The committee will reconvene at 4 p.m. or 30 minutes after session in 500S State Office Building.

HIGHER EDUCATION FINANCE

300S State Office Building
Chr. Rep. Peggy Leppik

Agenda: 2002 higher education capital budget recommendations.

Note: The committee will reconvene immediately after session in 300S State Office Building to continue the capital budget recommendations discussion.

K-12 EDUCATION FINANCE

5 State Office Building
Chr. Rep. Alice Seagren

Agenda: To be announced.

Property Tax Division/TAXES

200 State Office Building
Chr. Rep. Ron Erhardt

Agenda: HF2630 (Erhardt) Noncommercial seasonal recreational property exempted from the state property tax.

HF3476 (Anderson, I.) Levy limit base calculation modified.

HF3243 (Bernardy) Local government health care insurance premium levies not subjected to levy limits.

HF3140 (Murphy) Local government aid city revenue base increased for Hermantown.

HF3454 (Lenczewski) Local government aid city aid base reduced as aid appropriations increase. Additional bills may be added.

12:30 p.m.

FAMILY & EARLY CHILDHOOD EDUCATION FINANCE

5 State Office Building
Chr. Rep. Barb Sykora

Agenda: Committee bonding recommendations.

LOCAL GOVERNMENT & METROPOLITAN AFFAIRS

200 State Office Building
Chr. Rep. Jerry Dempsey

Agenda: HF3202 (Smith) Delano Public Utilities Commission increased to five members.

HF3169 (Vandever) Housing; municipal low-income housing authority specified.

HF3499 (Entenza) St. Paul civil service separation retroactive effective date established.
HF2915 (Bakk) Cook County powers and authority in relation to the Cook County hospital district clarified, and maximum tax levy provided.
HF2987 (Bakk) Cook County Mineral Center cemetery conveyance to Grand Portage reservation authorized.
HF3192 (Bakk) Cook County road and bridge levy expenditure authorized.
HF2830 (Osthoff) St. Paul local bonding authority limits set through 2008.
HF2611 (Bernardy) Anoka County emergency radio system bonds and levy authorized.
Other agenda items to be announced.

REGULATED INDUSTRIES

10 State Office Building
Chr. Rep. Ken Wolf
Agenda: HF3340 (Holsten) Requiring prevailing wage on specified electric energy generating plant or other energy facilities granted special tax treatment.
And other bills to be announced.

3 p.m.

THE HOUSE MEETS IN SESSION.

TUESDAY, Feb. 26

(Note: Tuesday meeting times may change to accommodate the 9 a.m. floor session.)

8:15 a.m.

EDUCATION POLICY

200 State Office Building
Chr. Rep. Harry Mares
Agenda: To be announced.

HEALTH & HUMAN SERVICES POLICY

10 State Office Building
Chr. Rep. Fran Bradley
Agenda: To be announced.

JUDICIARY FINANCE

Basement Hearing Room
State Office Building
Chr. Rep. Rich Stanek
Agenda: To be announced.

TRANSPORTATION POLICY

5 State Office Building
Chr. Rep. Tom Workman
Agenda: To be announced.

9 a.m.

THE HOUSE MEETS IN SESSION.

10:15 a.m.

ENVIRONMENT & NATURAL RESOURCES POLICY

10 State Office Building
Chr. Rep. Dennis Ozment
Agenda: To be announced.

STATE GOVERNMENT FINANCE

300N State Office Building
Chr. Rep. Philip Krinkie
Agenda: To be announced.

12:30 p.m.

AGRICULTURE & RURAL DEVELOPMENT FINANCE

10 State Office Building
Chr. Rep. Bob Ness
Agenda: To be announced.

CAPITAL INVESTMENT

5 State Office Building
Chr. Rep. Jim Knobloch
Agenda: Finance committee recommendations for Capital Investment.

COMMERCE, JOBS & ECONOMIC DEVELOPMENT POLICY

200 State Office Building
Chr. Rep. Greg Davids
Agenda: HF3434 (Rhodes) Responsible lending act of 2002 adopted enacting restrictions on certain home loans.
HF3078 (Stang) Real estate industry licensee conduct regulated, disclosures modified, and investigations by commerce commissioner regulated.
HF3462 (Mulder) Funeral trust account provisions modified.
HF3342 (Gerlach) Discrimination against older homes prohibited in manufactured home park lots.
Other bills may be added.

Time to be announced

CRIME PREVENTION

Basement Hearing Room
State Office Building
Chr. Rep. John Tuma
Agenda: HF2841 (Penas) Local correctional fees defined to include room and board.
HF1934 (Stanek) National Crime Prevention and Criminal Data Privacy Compact.
HF3168 (Fuller) Department of Corrections initiatives - DWI clarification, etc.
HF3176 (Hilstrom) Felony offense for employing "runners" to procure clients.
HF3304 (Tuma) Crime of sexual misconduct against vulnerable adults expanded.
Other bills may be added.

WEDNESDAY, Feb. 27

8:15 a.m.

GOVERNMENTAL OPERATIONS & VETERANS AFFAIRS POLICY

Basement Hearing Room
State Office Building
Chr. Rep. Jim Rhodes
Agenda: To be announced.

JOBS & ECONOMIC DEVELOPMENT FINANCE

200 State Office Building
Chr. Rep. Dan McElroy
Agenda: To be announced.

JUDICIARY FINANCE

500S State Office Building
Chr. Rep. Rich Stanek
Agenda: To be announced.

Sales and Income Tax Division/TAXES

500N State Office Building
Chr. Rep. Elaine Harder
Agenda: HF2941 (Blaine) Allows an individual income tax subtraction for military pay.
HF3159 (Rifenberg) Eliminates the authority of the commissioner of revenue to terminate income tax reciprocity.
HF3014 (Huntley) Delays the date for the state to start collecting the Duluth sales tax.
HF3460 (Kuisle) Taxes delivery charges for aggregate materials and concrete block, and provides transition language for certain contracts signed prior to a change in sales tax definitions.
HF3510 (Dorman) Authorizes the city of Albert Lea to impose a local sales and use tax.
HF3522 (Dorman) Provides nexus rules for affiliated companies.

TRANSPORTATION FINANCE

5 State Office Building
Chr. Rep. Carol Molnau
Agenda: Bonding recommendations.

10:15 a.m.

CIVIL LAW

Basement Hearing Room
State Office Building
Chr. Rep. Steve Smith
Agenda: To be announced.

HIGHER EDUCATION FINANCE

300S State Office Building
Chr. Rep. Peggy Leppik
Agenda: To be announced.

K-12 EDUCATION FINANCE

5 State Office Building
Chr. Rep. Alice Seagren
Agenda: To be announced.

TAXES

200 State Office Building

Chr. Rep. Ron Abrams

Agenda: HF2744 (Fuller) Electric generation facility personal property tax exemption provided.

HF2974 (Ruth) Electric generation facility personal property tax exemption provided.

HF3229 (Holsten) Income tax credit provided for land donated for conservation purposes, and property tax classification provided for certain unimproved land bordering a lake.

HF3325 (Rifenberg) Agricultural mortgage registry tax provision modified
Additional bills may be added.

12:30 p.m.

AGRICULTURE POLICY

10 State Office Building

Chr. Rep. Tim Finseth

Agenda: To be announced.

FAMILY & EARLY CHILDHOOD EDUCATION FINANCE

5 State Office Building

Chr. Rep. Barb Sykora

Agenda: To be announced.

LOCAL GOVERNMENT & METROPOLITAN AFFAIRS

200 State Office Building

Chr. Rep. Jerry Dempsey

Agenda: To be announced.

3 p.m.

THE HOUSE MEETS IN SESSION.

6 p.m.

Joint House and Senate Subcommittee on Claims

500N State Office Building

Chrs. Rep. Bill Haas, Sen. Steve Murphy

Agenda: Claims against the Minnesota Department of Corrections.

Note: All other claims against various departments will be heard during the 2002 Interim.

THURSDAY, Feb. 28

8:15 a.m.

EDUCATION POLICY

200 State Office Building

Chr. Rep. Harry Mares

Agenda: To be announced.

HEALTH & HUMAN SERVICES POLICY

10 State Office Building

Chr. Rep. Fran Bradley

Agenda: To be announced.

JUDICIARY FINANCE

Basement Hearing Room

State Office Building

Chr. Rep. Rich Stanek

Agenda: To be announced.

TRANSPORTATION POLICY

5 State Office Building

Chr. Rep. Tom Workman

Agenda: To be announced.

10:15 a.m.

CRIME PREVENTION

Basement Hearing Room

State Office Building

Chr. Rep. John Tuma

Agenda: HF3494 (Stanek) Guilty but mentally ill verdict.

HF2904 (Larson) Requiring repair of expended airbags.

Other bills will be added.

ENVIRONMENT & NATURAL RESOURCES POLICY

10 State Office Building

Chr. Rep. Dennis Ozment

Agenda: To be announced.

STATE GOVERNMENT FINANCE

300N State Office Building

Chr. Rep. Philip Krinkie

Agenda: To be announced.

TAXES

200 State Office Building

Chr. Rep. Ron Abrams

Agenda: Public finance bills to be announced.

HF2655 (Pawlenty) Property tax deferral extended on art park property.

12:30 p.m.

AGRICULTURE & RURAL DEVELOPMENT FINANCE

10 State Office Building

Chr. Rep. Bob Ness

Agenda: To be announced.

CAPITAL INVESTMENT

5 State Office Building

Chr. Rep. Jim Knoblach

Agenda: To be announced.

COMMERCE, JOBS & ECONOMIC DEVELOPMENT POLICY

200 State Office Building

Chr. Rep. Greg Davids

Agenda: HF3117 (Ozment) Minnesota environmental response and liability act statute of limitations to recover response costs clarified.

HF2750 (Larson) Unemployment; extra benefits provided for workers laid off from airline and related industries.

HF3206 (McElroy) Health commissioner occupational safety responsibilities eliminated in certain instances and penalty limits for certain violations increased.

Other bills may be added.

FRIDAY, March 1

8:15 a.m.

GOVERNMENTAL OPERATIONS & VETERANS AFFAIRS POLICY

Basement Hearing Room

State Office Building

Chr. Rep. Jim Rhodes

Agenda: To be announced.

JOBS & ECONOMIC DEVELOPMENT FINANCE

200 State Office Building

Chr. Rep. Dan McElroy

Agenda: To be announced.

JUDICIARY FINANCE

500S State Office Building

Chr. Rep. Rich Stanek

Agenda: To be announced.

10:15 a.m.

CRIME PREVENTION

Basement Hearing Room

State Office Building

Chr. Rep. John Tuma

Agenda: To be announced.

Note: This meeting will occur if needed to complete second committee deadline bills. The meeting is scheduled to last until 6 p.m. as needed to complete the agenda.

HIGHER EDUCATION FINANCE

300S State Office Building

Chr. Rep. Peggy Leppik

Agenda: To be announced.

K-12 EDUCATION FINANCE

5 State Office Building

Chr. Rep. Alice Seagren

Agenda: To be announced.

TAXES

200 State Office Building

Chr. Rep. Ron Abrams

Agenda: To be announced.

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Minnesota Memorials



PHOTO BY ANDREW VON BANK

Roy Wilkins

One of the nation's most ardent supporters of the civil rights movement is memorialized along John Ireland Boulevard, near the old Columbus walk.

Often referred to as the father of civil rights, Roy Wilkins grew up near the Capitol complex and graduated from the University of Minnesota in 1923. President Lyndon Johnson awarded Wilkins the nation's highest civilian honor, the Medal of Freedom, in 1967. Wilkins died in 1981.

Designed by Curtis Patterson of Atlanta, the monument was dedicated in November 1995. Measuring 50 feet by 75 feet, the memorial includes 46 different elements, each representing one of Wilkins' years with the National Association for the Advancement for Colored People, including 22 years as the organization's chief executive. During his leadership reign the Civil Rights Acts of 1957, 1960, 1964, the 1965 Voting Rights Act were passed and successful court cases were argued by the NAACP to the United States Supreme Court.

"What Martin Luther King Jr. did on the streets, he did through the justice system," said Paul Mandell, a principal planner with the Capitol Area Architectural and Planning Board.

Highlighting the monument is a spiral that rises above and through the wall. That is representative of Wilkins' belief that equality could be done through legislative action. The spiral begins with flat pieces and ascends until they get to a ceremonial African spear for the last piece, which points toward the Minnesota Judicial Center.

Barriers and obstacles faced by African-Americans are symbolized in the walls and other pieces. The flooring also has key dates on it. Quotes on the walls are used to characterize Wilkins. Additionally, a picture of the leader is etched in the stone.

(M. Cook)

Reflections

Order, symmetry, and impressive lines of sight that personalize the Capitol buildings and exterior lawns often go unnoticed by the hundreds of people who roam the complex each day. Yet a deliberate and distinct plan is always in progress as improvements are made throughout the area.

This same plan was touted by Capitol building architect Cass Gilbert in 1907 when he released his vision for the complex, maintaining it for posterity to draw major attention to the state's seat of government — occupied in 1905.

Gilbert began to accomplish his vision by placing the majestic statehouse at the focal point of a system of wide lawns and boulevards that extended out to St. Paul in the tradition of the designs of Old World cities.

His influences on the visual presence of the Capitol and its surroundings are still prevalent today. Until his death in 1934, the architect's perceptions for orientation and order continued to appear where new buildings and their adornments were placed.

During the past three years this movement continues to progress under the auspices of developing more continuity and consistency to the design of the Capitol surroundings. Those involved include Paul Mandell and Nancy Stark from the Capitol Area Architectural and Planning Board, its board advisors, and the state Department of Administration.

Their diligent efforts to continue Gilbert's plan of extending out to what he called the "Capitol neighborhood" surface in overseeing the outdoor restoration of adornments of state departments, office buildings, and streets.

Preservation work is being completed by

Jensen Conservation of Omaha, Neb. The company's charge is to replace the patina of the statues and memorials, including the ornate light fixtures found at some of the buildings, such as the just completed lampposts outside the State Office Building.

Construction began on the State Office Building in 1932 along Park (now Constitution) Avenue. The street radiates southwest in Cass Gilbert fashion out to John Ireland Boulevard.

The building's symmetrical twin, the old historical society building — now part of the Judicial Center — was completed in 1917 along Cedar Avenue, extending out to the southeast. The two buildings capture Gilbert's vision more than others around the complex by anchoring the broad avenues that extend out to the community. They were designed and built 15 years apart by architect

C. H. Johnston to exactly line up across the lawn from each other.

Capitol inhabitants and others could pause for a moment to admire the facades of the two buildings, particularly the elaborately designed lampposts that guard the steps. The design of each fixture contains a torch holding lamp globes, wide plant leaves that cascade down to floral wreaths, horned ram's heads, and four-clawed eagle talons at the base.

In the spirit of Cass Gilbert's ideas, a brief pause to also study how laws can involve design, detail, and vision to make them successful, may well be worth it to political theorists and others to contemplate.

—LECLAIR GRIER LAMBERT



PHOTO BY BECKY EKSTAM

One of the newly restored lampposts in front of the State Office Building.

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

MINNESOTA INDEX

States and deficits

Lost economic output due to the Sept. 11 attacks, in billions	\$50
States experiencing recession prior to Sept. 11	11
States nearing recession	18
Personal income growth estimates for fiscal year 2002, as percent	3
Actual growth for 2001, as percent	5
For 2000, as percent	7
Legislative general fund appropriations for 2002, all 50 states, in billions	\$521
Projected revenues for 2002, all 50 states, in billions	\$511.5
Beginning balances for 2002, all 50 states, in billions	\$21.8
Budget reserves for 2002, all 50 states, in billions	\$21
Number of states* anticipating revenues below projections for fiscal year 2002 (ending June 30), as of January	46
States with projected shortfalls in fiscal year 2003	38*
Highest estimated shortfall for 2002 (California), in billions	\$12.4
Lowest estimated shortfall for 2002 (New Hampshire), in millions	\$6.6
Average shortfall, as percent of general fund budget	4.3
Number of states experiencing revenues below projections for fiscal year 2001, as of December 2001	23
States enacting across-the-board spending cuts for 2001	10
Number of states that laid off workers to eliminate budget gaps in 2001	1
Percentage decline of fund balances, all 50 states, between 2000 and 2002	40
Number of states with expenditures over budget, January 2002	30
States where Medicaid is over budget	23
States anticipating Medicaid expenditures will exceed budgeting levels before fiscal year end (June 30)	5
States exploring budget cuts or holdbacks for 2002	39
States that have used reserves to balance the budget for 2002	26
Number of states proposing other measures to balance budgets for 2002	30
States considering tax proposals	19
States considering using tobacco settlement funds	8
States delaying, reducing, or canceling bonding projects	7
State anticipating special sessions to deal with budget shortfalls in 2002	6

* Includes the District of Columbia, bringing the total possible to 51.

Sources: *State Fiscal Outlook for FY2002*, November 2001 update and January 2002 update, National Conference of State Legislatures (www.ncsl.org); *the Fiscal Survey of States*, December 2001, National Association of State Budget Officers (www.nasbo.org); *State Budgets Update*, January 25, 2002, NASBO; Fiscal Update: *State Budget Post-Attack*, September 2001, NASBO.

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