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SESSION Weekly

MINNESOTA HOUSE OF REPRESENTATIVES - PUBLIC INFORMATION



In this issue:

Raising cigarette taxes

Newest house members, and more

SESSION Weekly

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On the cover: Thomas A. Roman, a professional engineer with ElectroSoft Engineering Inc., makes his way up the front steps of the State Office Building on a windy and rainy April 3 to visit with his legislators about issues that affect Minnesota's engineers.



An extra buck a pack

Plan to raise the state tax on cigarettes and other tobacco products clears one House committee

By Jeff Jones

egislation featuring the words "tax in crease" can expect a cool reception from many lawmakers this session, but on March 31 one such bill gained a warm, bipartisan endorsement from a House committee.

Starting July 1, purchasing a pack of cigarettes in Minnesota would become \$1 more expensive if HF29 becomes law. On that same day, the cost of medical care would go down 1.5 percent because of the elimination of a state tax on medical providers.

That tradeoff, according to the bill's sponsor, Rep. Fran Bradley (R-Rochester), means the proposed legislation amounts to a revenue shift rather than an outright tax hike and wouldn't run afoul of Gov. Tim Pawlenty's pledge not to raise taxes. House Speaker Rep. Steve Sviggum (R-Kenyon) said he supports the legislation as long as it produces a true dollar-for-dollar offset.

The bill gained compliments and approval from House Health and Human Services Policy Committee members and will next go to the House Health and Human Services Finance Committee, which Bradley chairs, for evaluation of its fiscal impact.

Under the bill, the tax on a pack of cigarettes would go from 48 cents to \$1.48, and taxes on other tobacco products would rise by the same proportion. If passed, Minnesota would have one of the highest tobacco taxes in the nation.

Previous proposals to eliminate the provider tax would have used money from the state's general fund surpluses or tobacco settlement fund to make up for lost revenues, but the projected budget shortfall forced supporters to get creative.

Bradley said a cigarette tax is an appropriate alternative given Pawlenty's proposal to drain the tobacco endowment to help balance the budget. "It gives us an alternative which quite frankly...is superior to anything else we've managed to do in terms of reducing the incidence (of smoking), particularly among young people," Bradley said.

Jeremy Hanson, advocacy director for the



PHOTO BY ANDREW VON BANK

Jeremy Hanson, from the Minnesota Smoke-Free Coalition, testifies before the House Health and Human Services Policy Committee March 31 in support of a bill that would raise tax rates on cigarettes and tobacco.

Minnesota Smoke-Free Coalition, said the proposal would reduce teen smoking by about 63,000, or more than 18 percent, and ultimately saving the state \$1 billion in medical costs associated with tobacco-related ailments. Adult smoking rates would also go down an estimated 5.7 percent, lawmakers were told.

Both aspects of the bill have the support of medical organizations. Dr. Gary Hanovich, president of the Minnesota Medical Association, said tobacco use is the single most preventable cause of death in the country. "We physicians see the disease caused by tobacco use daily and we hate it," he said. "The data is clear: Increasing the tobacco tax decreases tobacco use and saves lives."

William Moyers, vice president for external affairs at the Hazelden Foundation, an addiction treatment and recovery center, said his organization would save more than \$500,000 annually if the state eliminates the health care provider tax. "We believe in helping people who cannot help themselves," he said, "but we are convinced that taxing the sick is not the answer."

Provider taxes accounted for 1.4 percent of the state's budget in 2002, according to the nonpartisan House Fiscal Analysis Department, and are primarily assessed on health care providers, including hospitals, physicians, dentists, psychologists, and others. Money collected from the tax goes into the state's Health Care Access Fund, which finances the MinnesotaCare subsidized health insurance program for low- and moderate-income families and individuals. The current tax rate is 1.5 percent of a provider's gross expenditures, and is scheduled to jump to 2 percent in January 2004.

Bradley told committee members about \$260 million in revenue is shifting from one tax to the other.

However, the fundamental difference between the two taxes — their potential for growth – may change the zero-sum game relatively quickly. While taxing tobacco is, by design, aimed at decreasing smoking in the state, it may ultimately result in lower revenues from the tax. The health care provider tax, in contrast, is appealing because the income it generates grows consistently as health care costs rise. The sharp increase in costs in recent years has made the tax all the more lucrative for the state.

Bradley said that's why it has been so difficult to repeal. "The provider tax is a really sweet tax if you just look at revenue," he said. "It will automatically increase at 10 percent a year. And if you like to expand government programs and do more stuff, it fits."

Beyond the revenue, however, provider tax opponents call it bad public policy because it augments already skyrocketing health care costs. While it's assessed on health care providers rather than patients themselves, the cost is usually just passed through to insurance providers and consumers, and state law specifically allows them to do so. Language in the bill would require providers to similarly pass along the savings they receive from elimination of the tax.

"It's going to reduce the cost of care by

2 percent," said Rep. Thomas Huntley (DFL-Duluth), who co-sponsors the bill. "That's not a big amount, but if you have a 15 percent increase in your premium, 13 percent is better."

Huntley and other supporters said the provider tax is also one of the most regressive in the state, disproportionately affecting low-income Minnesotans who can least afford higher medical costs.

Critics argue the tobacco tax is the state's most regressive because low-income individuals are much more likely to smoke than more affluent individuals. The Minnesota Medical Association's Hanovich agrees, but said the costs of tobacco use are even more regressive.

"Low-income individuals do smoke at higher than average rates, but they also become ill and die at higher rates from the diseases of tobacco use," he said. "I would hope that all of you would be more concerned about the regressive nature of tobacco-related death and illness than the regressive nature of tobacco taxes."

Like the provider tax, money generated by a tobacco tax would go into the dedicated Health Care Access Fund, under the proposed legislation. If that fund were eliminated, as the governor proposes in his budget plan, the money would go directly into the state's general fund.

MinnesotaCare would also change under the governor's plan, which proposes combining it with the General Assistance Medical Care program and decreasing participation by tightening eligibility requirements.

With all the proposed changes, Bradley said tobacco tax income would be sufficient to cover MinnesotaCare costs for the next three or four years. "I'm confidant that the will of the Legislature will continue to be there to protect MinnesotaCare," he said. "I think we're going to see a more sensible organization of all our health plans."

Bradley also challenged Senate lawmakers to examine a Senate companion bill (SF114), sponsored by Sen. Sheila Kiscaden (IP-Rochester), which currently awaits a committee hearing.

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High places

1931 case brought Minnesota's first Supreme Court justice back to his roots

The Honorable Pierce Butler,

Associate Justice, United States

He's probably not the first Minnesotan on the nation's high court that comes to mind, but Pierce Butler was indeed the first from the state to serve as an associate justice on the U.S. Supreme Court.

But he left indelible marks on the court's history. And about halfway through his tenure, he got the opportunity to rule on a legal matter from home.

Butler was born in 1866 in Dakota County. He attended Carleton College and went on to serve as Ramsey County attorney in the

late 1890s. He made one unsuccessful run at the Legislature in 1906. Instead, he served 18 years on the University of Minnesota Board of Regents.

For most of his career,
Butler was a corporate attorney, representing some of the
nation's largest railroads.
Even after he was appointed,
as a Democrat, to the high
court by President Warren
Harding, a Republican, Butler showed his conservatism
by opposing government
regulation of business and labor.

He became known as one of the "Four Horsemen" on the Supreme Court, who opposed the constitutionality of nearly every New Deal initiative that came before it.

However, he sided with a state regulation in relation to a 1925 Minnesota law that regulated certain publications.

According to the Supreme Court Historical Society, while the court was deciding a 1925 case where a New York law prohibiting anarchy tripped up a pamphleteer and his First Amendment rights, Minnesota was passing a law that would throw it right into the same stew. Though the pamphleteer's conviction was upheld, the court acknowledged for the first time that First Amendment rights must also be upheld by states under the 14th Amendment.

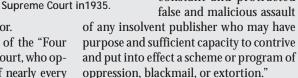
In 1925, the Minnesota Legislature passed a law that said the publication of certain newspapers constituted a nuisance. In particular, two Minneapolis scandal sheets were believed to gain their livelihood from blackmailing subjects of their reporting. Said historian Theodore Christianson, "In order to put them out of business, the Legislature in 1925 passed a law giving the courts power to suppress them from injunction."

Hennepin County Attorney Floyd B. Olson, who would later become the state's first farmer-labor governor, brought the first court action related to the law, and drew the attention of a number of other newspapers around the country, who feared the potentially far-reaching implications of the law.

The case was appealed all the way to the Supreme Court, which declared some of

the provisions of the Minnesota law unconstitutional on June 1, 1931. Butler was one of four dissenters, and he objected to the ruling, saying that the state had an interest in curtailing the nuisances such scandal sheets presented.

Said Butler, It "exposes the peace and good order of every community and the business and private affairs of every individual to the constant and protracted false and malicious assault



Though the court saw fit to rule on the case, the Legislature had already seen the writing on the wall and repealed the law, Christianson wrote, acting upon the recommendation of Olson, governor at that point.

Butler continued to serve on the court until his death in November 1939. His later years were marked by dissent, as he dealt with the attempts by President Franklin Roosevelt to pack the court with younger, more liberal justices. According to a history published by the state bar association, though the "packing" plan did not succeed, it prompted a sentiment to grant more broad powers of regulation to state and local governments. This prompted Butler's dissent in 73 cases during his last three years on the court.

(M. KIBIGER)

Photo courtesy of the Minnesota Historical Society





AGRICULTURE

*

Disease protection

An elk breeder questioned a proposed funding method that would expand the state's effort to control chronic wasting disease in testimony March 27 before the House Agriculture and Rural Development Finance Committee.

The committee approved a bill (HF649), sponsored by Rep. Howard Swenson (R-Nicollet), that would require owners of deer and elk farms to register their herds with the state's Board of Animal Health, provide an annual inventory, meet state requirements for fencing their herds, and submit brain samples of deceased animals for testing. The bill was referred to the House Environment and Natural Resources Finance Committee.

According to the Board of Animal Health, there are an estimated 12,000 captive deer and elk in the state.

The Pawlenty Administration is proposing that the owners of captive deer and elk herds pay an annual inspection fee of \$200 plus \$4 for each animal in the herd.

The state general fund is expected to provide two-thirds of an estimated \$600,000 needed by the Board of Animal Health to annually enforce the chronic wasting disease surveillance program statewide. The remaining \$200,000 would come from the proposed fee. The proposed funding method is not part of HF649, but is expected to be part of an omnibus finance bill the committee will consider.

The elk industry is being "singled out" to provide a substantial portion of the disease control program's funding, even though the program would benefit other agricultural producers, too, said Don Olson of Windom, treasurer of the Minnesota Elk Breeders Association. The 322 member farms in the group average herds of 49 animals each, he said.

Olson said small farmers could potentially be driven out of elk breeding by the expense of the disease control program exceeding the price they could get for their animals. Since the onset of the disease among deer in Wisconsin during the winter of 2002, the market for elk meat has been severely damaged, Olson said.

Deer and elk are part of the cervidae family susceptible to the fatal progressive brain disease caused by an abnormal protein. The state's first cases of the disease were found last summer in two farm elk, part of herds near Aitkin and Sauk Centre.

A companion bill (SF548), sponsored by Sen. Steve Dille (R-Dassel), has been approved

by two Senate committees and awaits action in the Senate Finance Committee.

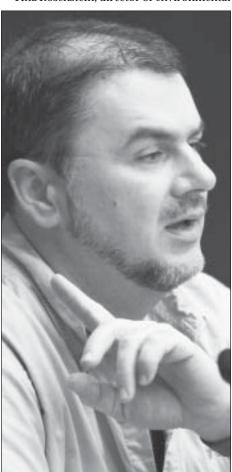
Review exemption

Feedlots licensed for less than 1,000 animal units would be exempt from environmental review, under a bill approved April 1 by the House Agriculture Policy Committee.

Sponsored by Rep. Dennis Ozment (R-Rosemount), HF1202 would amend state law by removing feedlots between 300 and 1,000 animal units from discretionary environmental review by a county government or requested through a citizen petition.

The bill would "provide a little more efficiency in government," said Ozment. He said feedlot operators must meet state environmental standards when applying for a feedlot permit. The permit process is handled at the local level by county governments and is administered by the state Environmental Quality Board.

Tina Rosenstein, director of environmental



Richard Draper of New Richland testifies before the House Agriculture Policy Committee April 1 against a bill that would modify the feedlot environmental review process.

services for Nicollet County, said the bill would relieve county feedlot officers of additional paperwork and time spent on citizen-initiated reviews. "The environmental review doesn't add to the process," she said.

Feedlots are large confined land areas with buildings and manure drainage basins for breeding and raising agricultural livestock. A 1,000 animal unit feedlot, for example, would have 300 sows. There are more than 25,000 poultry, swine, or cattle feedlots in the state.

Opponents of the bill said it would take away residents' rights to question proposed feedlot locations and monitor their environmental compliance. Feedlots with more than 1,000 animal units are required to undergo a state environmental review. Those with fewer than 300 animal units are exempt from review.

"We believe environmental review is one of the bedrock statutes for determining information for the public and local decision makers," said Don Arnosti, policy coordinator for the Minnesota Environmental Partnership. He said the bill would "tie the hands" of county and township officials regarding their ability to question proposed feedlots of fewer than 1,000 animal units.

Representatives for the Minnesota Farm Bureau and livestock organizations expressed support for the bill.

"Opponents of this change have tried to portray farmers as degrading the environment," said Al Christopherson, president of the Minnesota Farm Bureau Federation. "Whether we like it or not, farming has changed and will continue to change."

Conversely, Deb Peterson of Canby, a member of Land Stewardship, said citizen petitions for an environmental action worksheet are needed to assure feedlot operators meet state regulations. A proposed 3,000-hog feedlot near her farm in Lac Qui Parle County is "a more environmentally sound project," she said, after neighbors discovered valid concerns by initiating an environmental review. "Government officials did not protect the environment," she said. "It was the citizens."

The bill was referred to the House Environment and Natural Resources Policy Committee. A companion bill (SF1281), sponsored by Sen. Dallas Sams (DFL-Staples), awaits action in the Senate Agriculture, General Legislation, and Veterans Affairs Committee.

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

Ethanol payments

The House Agriculture Policy Committee approved a bill April 1 that would provide \$35 million for ethanol producer payments, virtually the same amount Gov. Tim Pawlenty has proposed to cut from the program in his 2004-05 biennium budget.

Sponsored by Rep. Elaine Harder (R-Jackson), HF1096 would add what she described as "catch-up" payments for ethanol producer subsidies cut by the governor for fiscal year 2003 and would allow future state money for ethanol production to be spent on "rural economic infrastructure" projects like biodiesel and other renewable fuels.

The bill was referred to the House Agriculture and Rural Development Finance Committee, which Harder chairs.

Harder said the bill would allow the state "to keep its commitment" to ethanol through a proposed annual appropriation and create a pool of funds for "value-added agricultural programs on the horizon."

The state's ethanol producer payments began in 1986. The governor's proposal would continue to fund the program at 10 cents per gallon of ethanol produced, a 50 percent cut from the current rate. The bill would continue to base payments on the 20 cents per gallon rate, with a maximum payment of \$3 million in a fiscal year to a producer.

Jim Boerboom, Agriculture Department assistant commissioner, said the bill was "a good concept." However, he said the department was concerned with the bill restoring payments at 20 cents per gallon, which would be a 1 cent per gallon increase from legislation passed in 2002. The bill "exceeds the governor's recommendation by \$32 million for the biennium." Boerboom said.

Representatives from the ethanol industry and crop growers groups testified in support of the bill.

"For three years farmers put money into ethanol plants and didn't get one thing out of them," said James Simonson, of Pro-Corn, an ethanol plant in Preston. "Please remember the farmer."

The bill has no Senate companion.

Organic promotion

A bill providing for increased state promotion of organic agriculture was approved April 1 by the House Agriculture Policy Committee.

Sponsored by Rep. Ray Cox (R-Northfield), HF1213 would amend state law to define organic production in compliance with federal regulations and create an organic advisory task force to advise the agriculture commissioner on improving organic agriculture, including the marketing of products.

Federal law passed in the early 1990s has

made it possible for states to adopt a single, uniform, national organic food law, according to an analysis of the bill provided by the nonpartisan House Research Department.

That law defines organic production to mean a production system that responds to "site-specific conditions by integrating cultural, biological, and mechanical practices that foster cycling of resources, promote ecological balance and conserve biodiversity."

The bill would also allow the agriculture commissioner to appoint a 14-member task force that would include organic farmers, food wholesalers and retailers, an organic consumer representative, and a representative of an organic food certification agency.

That group would meet twice a year and advise the Agriculture Department on "expanding, improving, and developing production and marketing of the organic products of Minnesota agriculture." The task force would expire on June 30, 2005.

The bill would also allow the agriculture commissioner to spend state and federal funds to assist producers to meet organic certification, conduct education and marketing activities, and address "production or marketing obstacles to the growth and well-being of the industry."

The committee voted to include the bill in an omnibus agriculture policy bill. A companion bill (SF990), sponsored by Sen. Steve Murphy (DFL-Red Wing), awaits further action in the Senate Agriculture, General Legislation, and Veterans Affairs Committee.

Farmland easements

A conservation program that retires environmentally sensitive farmland was criticized by several agriculture organizations March 27 during a hearing before the House Agriculture and Rural Development Finance Committee.

Representatives of the Minnesota Farm Bureau Federation, as well as soybean growers and wheat growers associations, opposed using permanent easements to idle farmland in floodplains, wetland areas, and along rivers.

They found allies in the state Agriculture Department and the U.S. Department of Agriculture's Farm Service Agency. The federal Agriculture Department oversees the Conservation Reserve Enhancement Program, which is a partnership with state and local governments. In Minnesota, the program is administered by the state Board of Water and Soil Resources.

The Minnesota River Watershed project, which has idled approximately 100,500 acres of farmland since 1998, was the second conservation reserve enhancement project funded in the United States under the federal agricultural improvement and reform law.

As part of the project, landowners are paid to voluntarily idle farmland.

Higher payments to farmers for permanent easements, versus time defined easement options, "drives the decision rather than resource needs," said Perry Aasness, state Agriculture Department assistant commissioner.

A permanent easement brought a price of \$600 per acre in the Minnesota River project, \$150 more than the 35-year easement option, according to the federal farm service agency's Minnesota office. The vast majority of easement contracts were permanent.

Such decisions, "assume that we stand at the cornerstone of truth for future generations," said John Monson, state director of the Farm Service Agency. The agency's state committee is recommending that future conservation projects eliminate permanent easements, he said.

Wayne Edgerton, agriculture policy director for the state Department of Natural Resources, testified in favor of keeping permanent easements as an option. "Farmers decide if these programs make sense to them," said Edgerton, who also serves on the board of directors of the water and soil resources agency.

Conservation projects are proposed in southeast Minnesota, and the Red River valley in the state's northwest region. A 20 percent state funding share is required by federal law. For the Minnesota River project, that share has been provided through the Reinvestment in Minnesota bonding program.

"Large sections of productive farmland that was marginally environmentally-sensitive has been placed under perpetual easements," said Marc Stevens, president of the Chippewa County Farm Bureau. Approximately 7,800 acres of Chippewa County farmland in the Minnesota River basin was idled in the conservation program. "We strongly oppose perpetual conservation easements," Stevens said.

The committee took no action regarding the program.



ARTS

Dollars for art

A plan to cap the amount allocated for art in state buildings at 1 percent of the construction budget or \$100,000, whichever is less, was approved April 1 by the House Capital Investment Committee.

"Some expenses are getting extremely large," said Rep. Chris Gerlach (R-Apple Valley), sponsor of HF575.

For example, he said for a \$60 million lab to be built for the departments of Agriculture and Health up to \$600,000 could be spent on



Robert Booker, executive director of the Minnesota State Arts Board, tells members of the House Capital Investment Committee April 1 that it would be difficult for his board to administer the Minnesota Percent for Art in Public Places program if administrative fees were reduced from 17 percent to 5 percent.

art under current legislation. Committee members agreed that it was too much.

The Minnesota Percent for Art in Public Places program was established in 1984. It allows for the state to appropriate 1 percent of the cost of a state building or renovation to be allocated for art. Robert Booker, executive director of the Minnesota State Arts Board, said that "no art works are placed in private areas" that taxpayer money goes to support.

Gerlach was also concerned with the amount of appropriations spent on administrative costs, which have averaged about 17 percent annually since the program's inception.

Acknowledging the process could be streamlined along with other state agencies dealing with budget cuts, Booker said they're "willing to toe the line and do the same."

HF575 requires the program, administered by the arts board and Administration Department, to spend no more than 5 percent on administrative costs. Rep. Loren Solberg (DFL-Grand Rapids) offered a successful amendment to change the number to 10 percent.

Booker responded the program could continue to still operate at an established 10 percent, but at 5 percent it would be extremely difficult, if not impossible.

Solberg also tried to change the capped amount to \$150,000. The amendment failed.

A spreadsheet distributed to committee members showed a large number of the projects over the 20-year program were under \$100,000, Gerlach pointed out.

Rep. Margaret Anderson Kelliher (DFL-Mpls) said some buildings might call for more expensive artwork because of their architecture. She gave the example of the Minnesota History Center, which used a total of \$389,968 on art.

Gerlach responded the program could have some exceptions, and might result in "reexamined policy" with adjustments made in the future.

The bill now goes to the House Ways and Means Committee. A Senate companion (SF910), sponsored by Sen. Claire Robling (R-Jordan), awaits committee action.

BUSINESS

Tobacco penalties

A bill replacing the rights of cities to set their own fines for tobacco sales violations with state-mandated penalties was amended on a narrow vote April 2.

Sponsored by Rep. Chris Gerlach (R-Apple Valley), HF561 was amended on a 9-7 vote by the House Local Government and Metropolitan Affairs Committee.

Under the amendment, businesses licensed to sell tobacco would be fined up to \$500 for a first violation of the law that prohibits the sale of tobacco products to a person younger than 18. The second violation within 24 months would bring a fine of up to \$1,000; the third violation, a fine of up to \$5,000. Subsequent violations within 24 months would bring a mandatory \$5,000 fine and the possibility of a license suspension lasting no more than seven days.

The original bill would have imposed a \$75 fine for the first violation, a maximum of \$200 for the second violation, and either a \$500 fine or a license suspension of up to seven days for a third violation.

Current law allows each city to exceed current state-mandated minimum fines to businesses and clerks. Also left to local control is the number of days a business's tobacco license may be suspended, if a suspension is applied.

Some cities have imposed fines and license suspension periods so extreme that businesses have lost substantial income, and in some cases

have had to close, Gerlach said.

But public health officials and local government representatives say that allowing cities to set stiffer penalties leads to greater diligence on the part of clerks checking cigarette purchasers' identifications, and therefore decreases teen smoking.

HF561 now moves to the House Civil Law Committee.

A Senate companion bill (SF992), sponsored by Sen. David Knutson (R-Burnsville), awaits action by the Senate Commerce and Utilities Committee.

CONSUMERS

*

Stop skimming

Credit card users would be protected from the unlawful practice of skimming, a form of credit card theft, under a bill approved April 1.

An emerging type of consumer fraud, credit card skimming, occurs when an employee of a store or restaurant processes the customer's card through an electronic device, known as a skimmer, that records the card number. The number is then used illegally for purchases, either over the phone or Internet. In some cases the number is transferred to a blank card, which is then used as if it were a legitimate credit card.

The bill would make illegal the fraudulent use of skimmers, usually small, hand-held devices that can be concealed, and re-encoding devices, used to make fake credit cards.

It also lays out a penalty of up to 90 days in jail or a fine of up to \$1,000 if no money is lost. If money is lost, then the fraud is treated as a theft and punishable according to the amount of money involved.

The House Commerce, Jobs, and Economic Development Policy Committee approved HF980, sponsored by Rep. Greg Davids (R-Preston), and forwarded it to the House Civil Law Committee.

A Senate companion bill (SF969), sponsored by Sen. Ann Rest (DFL-New Hope), was approved March 31 by the Senate Crime Prevention and Public Safety Committee and forwarded to the Senate Finance Committee.

Mortgage employees

Independently owned mortgage companies required to be licensed by state law would now have to register their residential mortgage lending and brokering employees, under a bill approved March 27.

Those employees would also be required to

undergo criminal background checks for determination of any felony convictions, as well as take 30 hours of continuing education during a two-year period. The education must be "relevant and useful" to residential mortgage origination work, and must include nearly four hours pertaining to ethics, Minnesota mortgage laws, and state or federal fair housing and mortgage consumer protection laws.

HF1055, sponsored by Rep. Andrew Westerberg (R-Blaine), was approved by the House Commerce, Jobs, and Economic Development Policy Committee and sent to the House Civil Law Committee.

Pat Martyn, executive director of the Minnesota Association of Mortgage Brokers, said the number of mortgage brokers in Minnesota has increased tremendously in the past decade, and the business is very competitive.

Homebuyers rarely make purchases without using a broker of some sort, he said. "This is the way mortgages are made in Minnesota."

Because a home purchase can be the biggest financial transaction many consumers undertake in their lifetimes, mortgage originators must be well qualified with good ethics, hence the proposed criminal background check, Martyn said.

The employees would not have to register themselves with the Department of Commerce, under the bill. Rather, their employer would do so by listing the individuals' names, and stating that each person has completed the educational requirement and undergone a criminal background check.

Companies that would be exempt are those currently not required by state law to be licensed, including mortgage companies affiliated with banks, credit unions, and financial institutions, said Kevin Murphy, deputy commissioner with the Department of Commerce. "The department is not intending to build a big database," he said, adding that the program is meant to be self-regulating and that the department does not expect to field questions from the public about registered mortgage originators.

A Senate companion bill (SF1083), sponsored by Sen. Linda Higgins (DFL-Mpls), awaits committee action.

Warranty coverage

Buyers of new homes would find stricter rules governing defects covered by warranties, under a bill heard April 1.

HF730, sponsored by Rep. Larry Howes (R-Walker), was approved by the House Commerce, Jobs, and Economic Development Policy Committee and referred to the House Civil Law Committee.

The bill addresses a current situation created by a court ruling. According to Pam Perri Weaver, executive vice president of the Builders Association of Minnesota, the Minnesota appellate court in December 2001 ruled that homeowners do not have to file a warranty claim for defects within the warranty period. This has created a loophole, she said, that is making it difficult for homebuilders to gain insurance.

Supporting the bill was Steve Noble, president of Noble Custom Homes in St. Cloud. He said that most insurance companies are reluctant to insure Minnesota homebuilders due to the ruling.

Noble said he has never had a claim filed against him, yet was dropped by his insurance company due to the situation created by the court ruling. After much searching, he found an insurance company that would insure him, but his rates increased \$30,000.

"If I had one lawsuit against (me) it would wipe my business out," Noble said.

Current law allows a one-year warranty for most defects; two-year warranty for electrical, heating, and plumbing defects; and a 10-year warranty for major defects.

Under the bill, vendors and home improvement contractors would not be liable if the loss or damage was not reported by the homeowner in writing within six months of the defect being discovered. The bill includes many exemptions, including damage from normal shrinkage caused by drying of the home, and damage from dampness and condensation due to insufficient ventilation after occupancy.

Also exempt are claims for defects discovered after one, two, and 10 years, respectively, from the warranty dates covered by current law.

An amendment was voted down by the committee that would have awarded homeowners attorney fees when successfully suing for breach of warranty. It was offered by Rep. Barbara Goodwin (DFL-Columbia Heights).

A Senate companion bill (SF289), sponsored by Sen. Don Betzold (DFL-Fridley), awaits committee action.

Gas content

All gasoline sold in Minnesota would have to contain 9.8 percent ethanol by volume, under a bill approved on a split vote by the House Commerce, Jobs, and Economic Development Policy Committee April 1.

HF899, sponsored by Rep. Dan Dorman (R-Albert Lea), now moves to the House Agriculture Policy Committee, with an additional stop expected at the transportation policy committee.

The bill would amend current law, which

requires that all gasoline sold in the state contain 2.7 percent oxygen by weight. The current law has been in place since October 1995.

Several legislators questioned whether it was appropriate for the state to mandate ethanol. Rep. Tim Wilkin (R-Eagan) wondered aloud why the state keeps trying to mandate products grown in Dorman's district. Perhaps, he said, all corn growers should be mandated to fly only Northwest Airlines, whose headquarters is in Wilkin's district.

Rep. Barbara Goodwin (DFL-Columbia Heights) said as many of her constituents, according to a survey, support alternative fuel as oppose mandates of such fuels.

Dorman responded that the bill is supported by Lt. Gov. Carol Molnau, who sees it as a means of increasing production at value-added agriculture plants that are facing cuts elsewhere in the state budget. In addition, Dorman said, rural cities are not interested in taking state local government aid as much as they are in expanding their own economies.

Also, the bill does not mandate that the ethanol originate in Minnesota, Dorman said, nor that it be produced from corn. At least one location in New York is producing ethanol from garbage, he said.

Rejected on a 9-6 vote was an amendment by Rep. Tony Sertich (DFL-Chisholm) that would have mandated that 50 percent of all steel and iron materials used in constructing public buildings in the state originate in Minnesota.

A Senate companion bill (SF895), sponsored by Sen. Julie Rosen (R-Fairmont), awaits committee action.

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CRIME

DNA samples

Minnesota would continue collecting DNA samples from convicted felons under a bill approved by the House Judiciary Policy and Finance Committee March 27.

As a part of anti-terrorism legislation passed in 2002 and scheduled to expire this year, the state began taking DNA samples from anyone convicted of any felony-level crime for use in future analyses. The state has required DNA samples be collected from sex offenders since 1988 and from people convicted of certain violent and property crimes since 1999, but the 2002 law was the first to require specimens from all felony offenders. In addition, it also requires anyone currently serving prison sentences for felony crimes to submit DNA samples before release.

HF382, sponsored by Rep. Steve Smith (R-Mound), the committee chair, would make

the 2002 law permanent by removing a July 1, 2003 sunset date.

The law also applies to juveniles convicted of felony-level crimes, but it does not require samples from juveniles currently serving jail time.

Rep. Michael Paymar (DFL-St. Paul) said he thought requiring specimens from non-violent felons was unnecessary, and Rep. Keith Ellison (DFL-Mpls) asked why courts aren't given discretion in ordering DNA samples, especially from juveniles.

Smith responded that his bill merely continues the policy established by a prior Legislature.

A Senate committee amended a companion bill (SF239), sponsored by Sen. Dave Kleis (R-St. Cloud), by extending the law's sunset date from 2003 to 2005. It awaits further committee action.

Scientists in court

Saying the state's forensic scientists are more useful in the laboratory than in courtrooms, Rep. Eric Lipman (R-Lake Elmo) brought a bill before the House Judiciary Policy and Finance Committee March 27 that would make it easier for written reports to take the place of scientists in criminal court hearings.

Sitting next to Bureau of Criminal Apprehension Assistant Lab Director David Petersen, Lipman asked committee members, "Is the best use of his time testifying as to the chain of custody of a lab specimen, or would we rather have him at his lab bench reducing the backlog of specimens and conducting tests on public crime evidence?"

Lipman is sponsoring HF909, which would allow courts to consider a written report about how and when evidence in a laboratory was handled as evidence in a case. Currently, scientists must appear in person to certify that kind of information. Under the bill, defendants could still subpoena scientists to appear up to 10 days before a trial date.

"There were approximately eight or nine times last year when four or five or six scientists, because of the way we now handle evidence within the laboratory, were required to go testify that 'Yes, indeed this is a package I have touched," Petersen said. "I hope to be able to increase the efficiency and keep the scientists working in those instances where it really is not necessary for a scientist or staff member to show up in court."

Rep. Keith Ellison (DFL-Mpls) said he worried the bill would put too much pressure on public defenders who already face the prospect of rising caseloads due to budget cuts.

"The thing that I'm worried about is, you've got 120 cases that come up for trial every day. Here comes the deadline. Bam, you missed it. Now you've only got eight days," Ellison said.

"You know you need this witness, but you haven't been able to prepare until the end because of your caseloads."

Lipman said other kinds of lab reports are already subject to the 10-day rule, and having a consistent standard makes preparing for cases easier for everyone.

The committee approved the bill and referred it to the House Floor.

A Senate companion (SF942), sponsored by Sen. Satveer Chaudhary (DFL-Fridley), awaits committee action.

DEVELOPMENT

Labor contracts

Project labor agreements, which are sometimes included in state and local building projects, could soon be a part of the past, under a bill approved March 31 by the House Governmental Operations and Veterans Affairs Policy Committee.

Rep. Barb Sykora (R-Excelsior), the sponsor of HF931, said it would create "fairness in contracts" and "save taxpayer's money." The bill prohibits the state and local governments from requiring a nonunion contractor to pay workers

MEAL PLAN

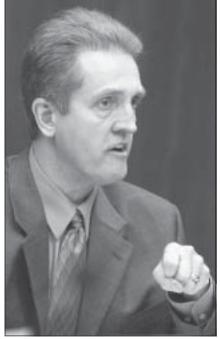


PHOTO BY ANDREW VON BANK

Deputy Corrections Commissioner Dennis Benson answers questions from the House Judiciary Policy and Finance Committee April 2 about a bill that would modify the frequency of inmate meals and prohibit desserts to inmates. The bill is proposed as a way to help with the state's budget situation.

union wages or pay dues to labor unions. Currently when the state or local governments accept bids on building projects, part of the negotiation could include project labor agreements. The agreements are not legally required, but can guarantee workers would not strike.

For projects that include both union and nonunion workers, nonunion contractors must pay union prevailing wages. Part of the wage goes to union funds, even if the worker isn't a member of a union.

Robert Heise, president of the Minnesota Association of Builders and Contractors, testified that small business owners are being discriminated against, and the agreements cost taxpayers more dollars because of the requirement of paying union wages to nonunion employees.

Heise said there is an "implied threat" for units of governments if they don't sign an agreement, thus nonunion contractors have to work under the same kind of contract as a union contractor.

Dick Anfang, president of Minnesota Building and Construction Trades Council, acknowledged the threat and said it should be taken as such. He said small nonunion contractors don't have enough workers to complete a large project, so they have to hire union workers and pay corresponding wages.

Citing good success with project labor agreements, Anfang explained that they create a partnership among participating entities. Also, he emphasized the wages taken from a nonunion worker's pay can be obtained by the worker upon joining the union.

"If everybody doesn't win, then nobody wins," said Rep. Bill Hilty (DFL-Finlayson). As a small business owner for 30 years, Hilty said he's always tried to charge the least amount for a product and pay the most to his employees. An opponent of the bill, Hilty added that his business has stayed alive doing that for the common good.

Sykora said the bill has nothing to do with private companies; rather the bill creates a "level playing field."

The bill now goes to House Commerce, Jobs, and Economic Development Policy Committee. A Senate companion (SF1161), sponsored by Sen. Brian LeClair (R-Woodbury), awaits committee action.

EDUCATION

Surcharge for student learning

An education telecommunications fund based on a phone bill surcharge of 25 cents a month would be established under a bill approved April 1 by the House Regulated Industries Committee. Sponsored by Rep. Bob Gunther (R-Fairmont), HF794 would provide funding to maintain and expand an Internet network in the state that connects K-12 public schools, public libraries, and the state's colleges and universities

"This is the only network for K-12 schools and public libraries," said Peg Werner, chair of the Minnesota Library Association's telecommunications committee. "If it's gone, there is no Internet," she said. The network has been built over the past seven years with federal funding, as well as incremental state funding that has expired, she said.

The telecommunications fund money would come from a 25-cent surcharge on the monthly bill for each wireless or hardwire line customer for voice or data services. The surcharge is expected to raise \$16 million a year.

The fund would be administered by the Department of Children, Families and Learning, with program oversight by the Minnesota Education Telecommunications Council. Schools and public libraries that receive telecommunications funds from the state would be required to apply for discounted rates from telecommunications service providers.

Buzz Anderson, representing the Minnesota Retailers Association, said the bill was a "bad idea" because it would increase business costs in the state. Large retailers and service companies have "thousands of phone lines," he said.

For rural school districts, the Internet learning network is essential, said Vernae Hasbargen, executive director of the Minnesota Rural Education Association. "It's the one vehicle we have to equalize access to learning opportunities," she said.

The bill next goes to the House Education Finance Committee.

A companion bill (SF766), sponsored by Sen. Steve Kelley (DFL-Hopkins), awaits action in the Senate Commerce and Utilities Committee.

Fighting an expulsion

The appeal of a public school student's expulsion would go directly to the state Court of Appeals, under a bill approved April 1 by the House Education Policy Committee and referred to the House floor.

Sponsored by Rep Mark Buesgens (R-Jordan), HF822 would amend state law that now requires an expulsion appeal to go to the commissioner of the Department of Children, Families and Learning.

The bill would remove "the middle step" in appeals of a school expulsion decision, Buesgens said. Current law provides the

judicial review option, but only after the education commissioner has reviewed and ruled on the decision. The bill would allow a school district to implement an expulsion decision during an appeal.

Bob Brick, representing the Coalition for Students with Disabilities, spoke in opposition to the bill. The state education department, he said, "is in a better position than the court of appeals to protect special education students' rights."

Of 1,529 student expulsions in the state during the past five years, Brick said, 14 percent involved students with disabilities. He said 45 expulsion cases were appealed to the education commissioner and four cases were appealed to the court.

Roger Aronson, counsel for the Minnesota Association of Elementary and Secondary School Principals, said, "Districts have a lot of discretion to draft expulsion policies." Keep the discipline process closer to the local level, he said and, "it will be better."

A companion bill (SF1031), sponsored by Sen. David Tomassoni (DFL-Chisholm), awaits action in the Senate Education Committee.

Coaching change

A school district would be required to provide written reasons for not renewing a varsity head coach's annual contract, under a bill approved April 1 by the House Education Policy Committee and referred to the full House.

The bill states the reasons would have to be given within 10 days of the coach's request.

Sponsored by Rep. Dean Urdahl (R-Grove City), HF680 would amend state law to also require that school boards provide "timely notice" for a dismissed coach and a "reasonable opportunity" for the coach to respond to his or her dismissal at a public meeting.

"It simply is a mater of fairness," said Urdahl, a teacher with 25 years of high school coaching experience. He said the bill would provide coaches, who have annual contracts with a school district, similar hearing rights as those provided a probationary teacher. The bill would apply to unlicensed coaches, as well as coaches who are licensed teachers.

John Erickson, executive director of the Minnesota State High School Coaches Association and Tom Crithley, the group's executive director of boys basketball, testified in support of the bill.

"Some parents want to pick and choose the high school coach," Erickson said. He said the bill would not weaken a local school board's control. Crithley said there were 70 new high school varsity basketball coaches in the state this past season, a turnover he attributed to younger coaches leaving due to the volatility of the job.

Bob Meeks, representing the Minnesota School Boards Association, did not oppose the bill but said he had concerns about it. Coaches are unique, Meeks said, and can be employed by a school district in a status different from teachers. Their work is "out of the classroom" in a voluntary student extracurricular activity. he said.

He opposed the bill's requirement that school boards hold a public meeting to air grievances related to a coach. "Some reasons should be made public and some should not be," Meeks said.

A companion bill in the Senate (SF708), sponsored by Sen. Steve Dille (R-Dassel), awaits action in the Senate Education Committee.

Contract services

A bill that would allow school districts to negotiate contracts for non-instructional services caused a lively debate April 2 at the House Education Finance Committee meeting.

Sponsored by Rep. Phil Krinkie (R-Shoreview), HF1109 would amend state law to allow school boards to "unilaterally contract or subcontract for services" like food service, building maintenance, and transportation, unless prohibited by a union contract.

The bill would also set a 45-day mediation period for contract negotiations if either the union or management declares an impasse. Either party could terminate the collective bargaining agreement after the mediation period expired, according to the bill.

The committee took no action on the bill. Krinkie said the bill would provide school boards with the "inherent right to contract with whoever they choose," for noninstructional services.

"All this is is a union busting amendment to current law," said Rep. Barbara Goodwin (DFL-Columbia Heights). "It will be detrimental to school districts in the long run."

Representatives of school boards, school administrator organizations, and business groups testified in support of the bill. Representatives of unions representing school district employees opposed it.

Duane Benson, executive director of the Minnesota Business Partnership, said the bill would provide school districts "the opportunity to save some money" by allowing more contracting.

Charles Kyte, executive director of the Minnesota Association of School Administrators

said, "Even having the option (of more contracting) available will increase efficiency with existing employees."

The bill would "send a bad message" to school district employees, said Chris Cowen, political action director for the American Federation of State, County, and Municipal Employees Council 14.

Frank Miskowiec, president of Service Employees International Union Local 63 in Minneapolis, which represents 400 school custodians, said his union has agreed to pay freezes in the past when the school district faced budget problems. The bill would "open schools to companies that care more about the bottom line than our kids," he said.

Krinkie said it was an "insult" for opponents of the bill to suggest school districts would use contracting of services to "put employees on the street."

A companion bill (SF1315), sponsored by Sen. Gen Olson (R-Minnetrista), awaits action in the Senate Education Committee.

Mandate review

State special education requirements that exceed federal mandates would be examined by the Rochester School District and perhaps three others, under a bill approved April 1 by the House Education Policy Committee.

Sponsored by Rep. Carla Nelson (R-Rochester), HF936 would allow the selected school districts an exemption from certain state requirements for three years while they examine such areas as pre-referral interventions for school students with disabilities and service delivery issues with other agencies. The districts participating in the pilot program would report their findings to the state Department of Children, Families and Learning by Nov. 1, 2005.

Nelson said the bill addresses those state special education mandates "that go over and above the federal law." The bill was referred to the full House.

Jerry Williams, Rochester schools superintendent, said the bill would allow the district to look at four special education mandates to "find efficiencies but still retain quality in the program."

Charles Kyte, executive director of the Minnesota Association of School Administrators, said the bill would provide "a reasonable and modest way to reduce paperwork and bureaucracy associated with special education."

"All school districts in Minnesota will be making reductions in programs in all areas over the next two years," Kyte wrote in a statement provided to the committee. "As these reductions are made, regular education parents will become increasingly frustrated by (a) school district's requirement to maintain special education services while all other areas sustain reductions."

The bill would allow the state's education commissioner to select up to three other school districts that are geographically diverse to be waived from the special education requirements and study ways services can be more efficiently delivered.

The commissioner would be required to present the results of the district reports to the Legislature by Feb. 1, 2006 and recommend any changes to state law regarding special education.

A companion bill (SF399), sponsored by Sen. Sheila Kiscaden (IP-Rochester), awaits action in the Senate Education Committee.

ELECTIONS

Distorted images

Rep. Marty Seifert (R-Marshall) says he wants to put a stop to using distorted photographs of opponents in campaign material.

To accomplish that, Seifert presented examples of altered pictures in campaign literature to the House Governmental Operations and Veterans Affairs Policy Committee March 27. In one picture, a candidate's teeth had been changed to appear crooked.

He is sponsoring a bill (HF807) that would take away public funds to candidates running for office, if a legislator were found guilty of the offense. Seifert said the bill would make "everyone be nice to each other." The committee approved the bill and referred it to the House floor.

Minnesota is one of the only states that offers a subsidy program to individuals running for office, said Seifert. "Only Maine has something similar," he added.

Committee members agreed the intent was honorable, but some voiced concerns over the potential violation of free speech. Rep. John Lesch (DFL-St. Paul) said campaigning is one of the "highest forms of free speech" and language in the bill doesn't define a distorted photograph.

Seifert said he was willing to accept any amendments to "fix-up" the bill.

An amendment was added that addressed the questions of "clarity, coloring, or features altered from the original."

Seifert said he doesn't expect the bill to pass and was using it as a measure to bring both political parties together, in hopes of each signing a legally binding document to not deliberately distort photographs in campaign literature.

Rep. Loren Solberg (DFL-Grand Rapids)

asked whether the bill would apply to television ads. An example, he explained, was an ad for U.S. Sen. Norm Coleman in which video of the late Sen. Paul Wellstone giving a speech was used, and the speed of the video was slowed down so significantly that the sound was distorted. Seifert said the ad would be considered campaign material, which would be covered by the bill. But, he added, the bill would only effect state and local elections, not federal.

A suggestion was made by Rep. Paul Thissen (DFL-Mpls) to amend the bill to not allow any use of an opponent's picture. Solberg said although he's never used a photo of someone running against him, he's "reluctant to ban a photo completely."

A companion bill (SF899), sponsored by Sen. Michele Bachmann (R-Stillwater), awaits committee action.

Younger voters

An effort to increase the number of young people at the polls was approved by the House Governmental Operations and Veterans Affairs Policy Committee March 27.

HF440 would require school districts to make voter registration forms available twice a school year to certain students.

"This would further encourage young people to vote," said Rep. Paul Thissen (DFL-Mpls), who sponsors the bill. He said the general idea is to get high school seniors registered, so they can vote in the next election. He said that voting rates for young people are far below rates for other ages.

Acknowledging that some school districts are already providing forms, Thissen explained the bill would extend to all schools in the state.

Rep. Eric Lipman (R-Lake Elmo) asked why the bill requires the distribution to occur in May and September.

Thissen responded that some high school seniors turn 18 in the beginning of the school year, and some near the end.

Questions were raised over language that said school districts "shall provide" the forms thereby making the law a mandate. Rep. Lynda Boudreau (R-Faribault) said schools already have enough tasks to do. An amendment was made to say the schools "shall make available."

"If we can find any way to encourage our young people to become voters, it's the right thing to do," said Rep. Loren Solberg (DFL-Grand Rapids). He said mandates are in the "eyes of the beholder whether it's good or not." He added that this is "an inexpensive one."

The bill now moves to the House floor. A Senate companion (SF658), sponsored by Sen. Linda Higgins (DFL-Mpls), awaits committee action.

EMPLOYMENT



Fund depletion

The state paid out more than \$1 billion in unemployment benefits to laid-off and unemployed workers last year. As a result, the state pool paying out the benefits went in the red and began borrowing money from the federal government in February.

A bill (HF831) approved April 1 by the House Commerce, Jobs, and Economic Development Policy Committee would change the formula by which employers pay into the fund in hopes of keeping it solvent. The bill now moves to the House Jobs and Economic Development Finance Committee.

Under current law, the base tax rate paid by all taxpaying employers fluctuates between one-tenth and six-tenths of 1 percent of taxable wages, depending on how much money is in the unemployment insurance trust fund. When the fund is low, a higher rate is collected. The exact amount to be paid for the following calendar year is based on the fund balance on June 30 of each year.

Sponsored by Rep. Bob Gunther (R-Fairmont), the bill would continue to adjust the base rate employers pay to the fund by comparing the fund balance on March 31 of any year to the percentage of total wages paid to employees in the previous year. According to nonpartisan House research staff, this has the effect of comparing the balance to the fund's "exposure." The more being paid in wages, the more the fund may need to pay out in benefits if unemployment rates rise.

Calculations in the bill indicate that the rate would fluctuate between one-tenth and fourth-tenths of 1 percent of taxable wages.

Under the bill, payments to the unemployed could also be delayed. Current law allows the state to delay unemployment benefits for up to four weeks when an employee collects sick leave or severance pay after being laid off. The bill would determine the weeks of delay by dividing the severance package by the employee's weekly pay.

As part of the bill's discussion, Department of Economic Security Commissioner Harry Mares announced that recent Northwest Airlines layoffs are hitting hard in Minnesota. Of the 4,900 layoffs announced, 1,990 are in Minnesota, centered in Rochester, Duluth, and the Twin Cities. The department has applied for a \$13.9 million federal grant to serve those laid-off employees.

A Senate companion bill (SF864), sponsored by Sen. Ellen Anderson (DFL-St. Paul), awaits action by the full Senate.

Homemaker assistance

A program helping homemakers, forced by misfortune to become breadwinners, gain access to the workforce may have found a way to gain state funding, despite that its budget was zeroed out in the governor's proposed budget.

The Displaced Homemaker Program would earn \$660,000 a year by increasing marriage licenses fee by \$20, under HF849, sponsored by Rep. Dale Walz (R-Brainerd).

The bill was approved by the House Jobs and Economic Development Finance Committee April 2 and now moves to the House Judiciary Policy and Finance Committee.

Yvette Oldendorf, the president emeritus of Career Solutions, said that when the program originally began in 1974 it was funded through an additional fee attached to marriage and divorce licenses.

"We believe this is one partial way of continuing this very important program," Oldendorf said. The proposal would only raise one-third of the program's previous budget, requiring additional fundraising, she added.

In the 2002-03 biennium, the program was funded through \$1 million in state workforce development funds and \$827,000 in federal Temporary Assistance to Needy Families (TANF) funding.

A displaced homemaker is a person who cared for her home and family exclusively for at least two years, but now must seek employment to support the family due to separation, divorce, or the death or disability of a spouse. It is not as much an employment program as it is a preemployment program, Oldendorf said.

Many clients do not have proper education or training to enter the workforce. Perhaps they don't have transportation, health care, or childcare. And some suffer from depression.

The 12 regional partner locations throughout the state that offer displaced homemaker services provide workshops, personal and employment support groups, self-esteem building activities, personal and vocational counseling, and leadership development. The aim is to help clients identify skills, and seek training or employment.

Nearly 1,500 people were served in fiscal year 2002. Of those, 35.3 percent became employed with an average wage of \$9.66 an hour, and 20.5 percent engaged in job training or education.

A Senate companion bill (SF835), sponsored by Sen. Richard Cohen (DFL-St. Paul), awaits action by the Senate Finance Committee.

Sharing personal information

Individuals enrolled in state employment and training programs could find their hoursworked and wages-earned data, as well as their Social Security number, being shared with other state agencies, under a bill approved April 1.

HF1087, sponsored by Rep. Lynne Osterman (R-New Hope), relates to data submitted to the Department of Economic Security, which administers the unemployment insurance system. The data, required of all employers who meet certain employee thresholds, is provided in summary form to workforce centers operated throughout the state.

But the summary format isn't enough, according to John Schaber, management information systems manager with the workforce center in Rochester, which is operated by Workforce Development Inc. Schaber said his agency would like to track the wage data of employed individuals that have benefited from center training and education. Doing so would help the agency evaluate how its services contribute to improved wages.

To extrapolate such specific data, the agency would need the Social Security number, Schaber said. HF1087 would allow the data to be shared by the state with state agencies, such as the workforce center, for up to three years, provided that the individual gave consent at the onset of the training and education program.

Under current practice, all clients sign a data practices act waiver, Schaber said. Furthermore, no private information about the

LIVING INDEPENDENTLY



PHOTO BY TOM OLMSCHEID

Lea Martin, right, of Bloomington wipes a tear as she testifies April 1 before the House Jobs and Economic Development Finance Committee on proposed funding cuts to independent living programs. David Hancox, executive director of the Metropolitan Center for Independent Living, is seated at left.

individual would be shared with the public.

In addition, the bill would allow the sharing of wage and employment data with agencies in other states without an individual's consent for the purpose of comparing the effectiveness of federal Workforce Investment Act programs. The act is intended to improve coordination among organizations engaged in workforce development activities and to enhance employment services.

Several legislators voiced concern about sharing personal data, including Rep. Tom Rukavina (DFL-Virginia). "This sharing of information is frightening," he said.

The bill was heard March 27 and April 1 by the House Commerce, Jobs, and Economic Development Policy Committee and now goes to the House Civil Law Committee. An amendment to add language increasing the state minimum wage, offered by Rukavina, was rejected by the committee, 16-10.

A Senate companion bill (SF687), sponsored by Sen. Don Betzold (DFL-Fridley), was approved by the Senate Jobs, Housing, and Community Development Committee and awaits further action.

Preparing to work

A program that predominantly helps men of color in the Twin Cities metropolitan area would receive state money for continuing to place clients in jobs and helping them stay there, under a bill heard April 2.

Sponsored by Rep. Lynne Osterman (R-New Hope), HF1012 will be considered by the House Jobs and Economic Development Finance Committee for inclusion in its omnibus finance bill.

The bill would provide funding for a non-profit group called "Twin Cities RISE!" and any other program meeting funding qualifications. According to founder and chairman, Steven Rothschild, the program is proposing a unique method of state funding that would only pay for successful graduates, not for the number of individuals served.

"We believe that being paid for numbers served is old thinking and rewards process, not performance," Rothschild wrote in a letter submitted to the committee that accompanied his testimony.

The group aims to provide employers with skilled workers, primarily men from communities of color, by training under-employed and unemployed adults for skilled jobs paying at least \$20,000 annually. RISE! clients have many problems to overcome in gaining employment, Rothschild said — 50 percent are ex-offenders and more than 65 percent have a history of substance abuse.

The bill would pay \$9,000 for placing a program graduate in a job that pays at least \$9 an hour plus health care benefits, and \$9,000 in a retention grant when a client maintains a job for at least one year that pays at least \$10 an hour plus health care benefits.

To qualify for the funding, the bill states that programs must spend at least \$15,000 per graduate on education and training in basic skills, thinking skills, and personal qualities.

Babette Pohtilla, corporate human resources manager with SuperValu, said her company has hired more than 20 graduates of the program. "We feel that the program is very, very important to us."

Program graduate Jesse Mahoney, now an associate at Community Fitness Today, called the program "truly a blessing."

The group expects to serve 1,580 people in the next two years.

A Senate companion bill (SF921), sponsored by Sen. Linda Scheid (DFL-Brooklyn Park), awaits committee action.

ENVIRONMENT



Recycling faces reductions

Gov. Tim Pawlenty's environmental budget for the next biennium could significantly diminish recycling, waste management, and water planning activities in the state, according to public testimony before the House Environment and Natural Resources Finance Committee April 1.

Under the governor's proposal, SCORE grants through the Office of Environmental Assistance would be cut by \$5 million in fiscal years 2004-05.

SCORE is a commonly used acronym that has retained its name from the Select Committee on Recycling and the Environment, which recommended more than a decade ago the path Minnesota should take toward a comprehensive waste management and recycling system.

There are no net savings in cuts to recycling programs because the money will eventually have to be spent on landfills, Fridley Environmental Planner Julie Jones said. "People don't consume less just because a recycling program isn't there."

SCORE funding supports the educational component that is the "consciousness of recycling," said Tom Troskey, recycling manager for Rock-Tenn Company, an international packaging and recycled paper manufacturer with a plant in St. Paul. Demand for recycled fiber is growing on an international level, Troskey said.

"Recycling adds jobs to the Minnesota economy," said St. Paul-based paper industry union representative Jerry Parzino.

Among the \$6.8 million in proposed reductions to the Board of Water and Soil Resources budget, funding for voluntary local water planning activities outside the Twin Cities metropolitan area would be eliminated.

Those reductions would limit river cleanups and shoreline improvements, said Terry Polsfuss of Clear Lake. Water planning activities are so important to his lake association, he added, that they hold pancake breakfasts and sell bratwursts to leverage as many additional dollars as possible.

"Investment in water management is an investment in the future," said Brad Wozney, Wright County Soil and Water Conservation District water resource specialist.

Water quality was also addressed from a hunter's perspective. "I'm not trying to promote a crisis mentality, but my canary in the coal mine is the mallard duck," said John Schroers of the Minnesota Outdoor Heritage Alliance. Schroers urged the committee to earmark a portion of state lottery dollars allocated to environmental interests for water quality improvements that would sustain larger, healthier flocks of waterfowl.

The committee will consider the testimony as it prepares its omnibus finance bill.

Land swaps and sales

A bill that would authorize a number of state land transactions cleared the House Environment and Natural Resources Policy Committee April 1.

The main policy change, according to bill sponsor Rep. Larry Howes (R-Walker), would allow the Department of Natural Resources (DNR) to acquire certain lands in state recreation areas without first seeking legislative approval.

Under HF810, language authorizing a whitewater trail on the Mississippi River in Minneapolis is modified to be less restrictive in its boundary designation. Currently, the law limits kayakers and others to an area below the Stone Arch Bridge and the bill would clarify that the trail follows a larger route near St. Anthony Falls.

The bill would also grant legislative approval of land sales, exchanges, or acquisitions in the following designated areas:

- Fort Snelling State Park;
- Grand Portage State Park;
- Lake Bemidji State Park;
- Tettegouche State Park;
- Iron Range Off-Highway Vehicle Recreation Area;
- Paul Bunyan State Forest;
- Savanna State Forest;
- · Waukenabo State Forest; and

- Big Bog State Recreation Area.
 Land would be deleted in the following
- Tettegouche State Park;
- Foot Hills State Forest;
- Kabetogama State Forest;
- Mississippi State Forest; and
- Red Lake Wildlife Management Area.

The bill would also offer the Fond du Lac Band of Chippewa Indians the first option to buy tax-forfeited lands that may become available for sale on the Fond du Lac Indian Reservation. The sponsor of the measure (originally introduced as HF1193), Rep. Bill Hilty (DFL-Finlayson), said the band is in need of land for housing development.

Another provision would permit the state to unload seven city lots in Blackduck for less than appraised value. The parcel has been through three public auctions and an adjoining landowner has approached the DNR with a tentative offer. The forestry division would like to "dispose of this land to eliminate maintenance costs," according to the DNR.

The bill also would authorize the private sale of acreage in Crane Lake near the Canadian border. The DNR has determined the land would serve a better purpose if it were sold to adjacent cabin owners who need to replace their leaking septic tanks with a community system.

Finally, the bill would re-establish the Minerals Coordinating Commission as a state-supported resource to promote research and development of mining assets.

The bill moves to the House Governmental Operations and Veterans Affairs Policy Committee.

A Senate companion (SF935), sponsored by Sen. Tom Saxhaug (DFL-Grand Rapids), awaits action by the Senate Environment and Natural Resources Committee.

Simplifying timber sales

A bill that the Department of Natural Resources (DNR) and the logging community agree is a way to simplify and standardize timber sales was approved by the House Environment and Natural Resources Policy Committee April 2.

The bill (HF859) is basically two-thirds technical corrections and one-third new provisions to help the economy in northern Minnesota by allowing some flexibility in timber sales, said Doug Ford, DNR timber sales program supervisor.

The bill is sponsored by Rep. Doug Lindgren (R-Bagley).

Much of the statutory language governing timber sales has not been updated since 1925, Ford said. For example, the bill would consolidate references to timber areas, sale areas, or permit areas under one new term: forestry administrative area.

Under current law, the state has the right to take cut timber if the permit holder has not properly marked the wood.

"It's a little harsh for forgetting to put up a poster, or more likely the poster was vandalized," Ford said. The bill would instead designate the offense as trespassing.

Another provision of the bill is designed to help the logging community, particularly smaller outfits, with bond requirements by offering a "performance deposit" option that would entail a smaller bond amount.

The bill would "simplify cash flows, simplify lives, and simplify business practices" for timber producers and the DNR, according to Wayne Brandt, a lobbyist for the Minnesota Timber Producers Association.

The bill now moves to the House floor.

A Senate companion bill (SF888), sponsored by Sen. Tom Saxhaug (DFL-Grand Rapids), awaits action by the Senate Environment and Natural Resources Committee.

Easing bureaucratic burdens

A bill (HF1054) that aims to lessen the administrative weight on solid waste managers in 80 Greater Minnesota counties and the Western Lake Superior Sanitary District was approved by the House Environment and Natural Resources Policy Committee April 2.

The bill now goes before the full House.

When integrated solid waste planning began in earnest in the 1980s, administrators were required to renew their plans with the state every five years, said Rep. Denny McNamara (R-Hastings), the bill's sponsor. The systems are relatively stable now and changing filing requirements to every 10 years would allow solid waste staff to spend more time implementing programs than updating plans. he said.

The bill also modifies Office of Environmental Assistance planning rules that solid waste administrators have said do not reflect the demographic, regional, and geographic differences between counties.

"We all know that it's not a one-size-fitsall," said Bob Meier, a pollution control specialist with the office. "We want to make sure the county planning reflects that, as well."

A Senate companion (SF1001), sponsored by Sen. Tom Saxhaug (DFL-Grand Rapids), has been sent to the Senate floor.

ETHICS



Hearing date set

A hearing for an ethics complaint filed against Rep. Arlon Lindner (R-Corcoran) has been scheduled for April 7 sometime after the House floor session.

The date was finalized during a March 31 meeting of the House Ethics Committee, in which members laid out the process to be used, and discussed whether formal subpoenas should be issued to potential witnesses.

As for the process, each side will be allotted 30 minutes to present their case and can be questioned by the committee for 15 minutes. In addition, Lindner or his representatives will have 15 minutes to question the individuals bringing the complaint. Each side will also be permitted a 15-minute closing statement. The committee may then choose to meet in an executive session to determine if there is sufficient probable cause for a violation. An announcement on the committee's decision would likely come at a separate meeting.

Eight DFL members filed the complaint March 11, saying that when Lindner expressed his belief that homosexuals may not have been persecuted during the Nazi Holocaust, his conduct violated "accepted norms of House behavior" and that his comments "bring the House into dishonor or disrepute." If probable cause for a violation is found, the penalties Lindner could face range from censure to expulsion from the House. Such actions require a majority vote of the full House.

The committee, on a 2-2 vote, also chose not to allow the issuance of subpoenas for those that may testify at the hearing.

Jim Anderson, an attorney representing Lindner, previously said that he wants to subpoena all eight DFLers who filed the complaint against his client.

"We have someone being charged with something that could cost him his seat in the Legislature and to think that this Ethics Committee could deny his defense I think is shameful. There will be no legitimacy to these proceedings if the defense cannot have who they want to testify," said Rep. Greg Davids (R-Preston). "The problem is, what if some complainants don't come."

"My impression is that to issue subpoenas to the complainants is probably not necessary," said Rep. Tom Pugh (DFL-South St. Paul). "There's probably a good chance all eight will be here in any event. ... If in fact something is drastically short in terms of the testimony we receive as to whether or not we can make a decision, we can issue subpoenas and continue the hearing to a later date."

The complaint is signed by five Minneapolis

DFLers (Rep. Karen Clark, Rep. Keith Ellison, Rep. Frank Hornstein, Rep. Margaret Anderson Kelliher, and Rep. Neva Walker), Rep. Lyndon Carlson (DFL-Robbinsdale), House Minority Leader Matt Entenza (DFL-St. Paul), and Rep. Ron Latz (DFL-St. Louis Park).

FAMILY

Custody changes

The House took action March 27 to allow parents to give up custody of a child to someone outside their family, as long as all parties agree to the change.

HF457/SF356*, sponsored by Rep. Mary Liz Holberg (R-Lakeville), changes a law that currently only allows parents to give custody of a child to another family member. "Given that both parents have to agree to this, it seems fair that in some instances maybe it isn't a family member who would be best able to care for the child," Holberg said.

The bill also corrects a "misunderstanding" between the Legislature and the courts over a law allowing *de facto* custody of children. Under a law passed in 2002, individuals or couples who have cared for a child for one year or more without a parent's active participation can take custody of that child. For children under age 3, the time limit is six months.

When courts have implemented the law, they have ruled that the time spent with the people seeking custody must be consecutive. Holberg said this was not the intent of the law.

"What the problem has been is that these children may have lived the entire (time) with their grandparent but they traveled to another relative for a period of two weeks in the summer for a vacation," Holberg said. "The courts have ruled that breaks the time frame and they are no longer able to qualify under this act."

Sponsored by Sen. Richard Cohen (DFL-St. Paul) in the Senate, the bill cleared that body 62-0 March 13. It now goes to the governor.

GAMBLING

Racino dedication change

A bill to add slot and video gaming machines at Canterbury Park in Shakopee cleared one more committee April 2, but with a slight amendment.

The amendment to HF646, offered by the bill's sponsor, Rep. Mark Buesgens (R-Jordan), was approved by the House Taxes Committee. It shifts forward the amount of profits that



Shakopee Mayor William Mars testifies April 2 before the House Taxes Committee in support of a bill that would create a racino at Canterbury Park in Shakopee. The bill was approved by the committee and referred to the House Ways and Means Committee.

must be paid to the state general fund in the first years of the venture's operations.

The original bill had the so-called racino paying 40 percent of the adjusted gross revenues for the 2004-05 biennium to the state. The amendment changes the bill so that 51 percent of the revenues are paid in the 2004-05 biennium, an amount that drops to 34 percent in the 2006-2007 biennium and returns to the original bill's 40 percent in 2008 and thereafter.

The effect is a shift of \$21 million in proceeds to the state general fund from the 2006-07 biennium to the 2004-05 biennium.

Following a 13-11 committee vote, the bill now goes to the House Ways and Means Committee. An amendment to instead send the bill to the House State Government Finance Committee was rejected on a 16-8 vote.

A Senate companion bill (SF576), sponsored by Sen. Dick Day (R-Owatonna), awaits action by the Senate State and Local Government Operations Committee.

Tribal casino plan

A proposed casino that would have been a partnership between the state and one or more American Indian tribal governments was rejected April 1 by the House Governmental Operations and Veterans Affairs Policy Committee.

Sponsored by Rep. Bill Haas (R-Champlin), HF1020 would have permitted the Minnesota State Lottery to operate gaming machines at a facility somewhere in the Twin Cities metropolitan area. The facility would offer both slot machines and card games.

Under the plan, 60 percent of the casino proceeds would go to the Red Lake Nation and White Earth Band of American Indians, groups that currently do not receive gaming revenue that other tribes receive from their own gaming facilities. Among the benefits to the state is a 20 percent tax on gross revenue (wagering minus prize money), 90 percent of which would go the state's general fund.

The bill was laid over in the committee the previous week so more information could be gathered on how the casino would operate. Haas said the casino would create more than 4,000 jobs, many of those to be filled by tribal members.

"Poverty is (a) far more greater immorality than gaming," said Doyle Turner, chair of the White Earth Reservation. He described to the committee the desolate, poverty-like conditions on the American Indian lands. He said 300 families have no housing at this time, and added "This is a creative solution for all."

Although the state is involved in gambling through the lottery, Rep. Bill Hilty (DFL-Finlayson) said that's not an excuse to make the jump to "another level." Directing his comments to other legislators, he said, "You want to help certain classes of people, but you don't want to pay for it."

Other opponents included the Mille Lacs Band of Ojibwe, who run the Grand Casino Mille Lacs and Grand Casino Hinckley. Tribal representatives claim that the majority of their clientele visit from the Twin Cities and that this bill would allow different tribes to operate a state-run casino. Also, the metro gaming facility could lure employees from outlying casinos.

Haas said all tribes in Minnesota have been offered written chances to become involved in the casino. Only two tribes were included in the plan: Red Lake Nation and the White Earth Band.

A Senate companion (SF966), sponsored by Sen. Sandra Pappas (DFL-St. Paul), awaits committee action.

Sports bookmaking rejected

A bill to authorize sports gaming and issue licenses for sports bookmaking failed April 2 in the House Governmental Operations and Veterans Affairs Policy Committee.

HF830, sponsored by Rep. Phyllis Kahn (DFL-Mpls), would have allowed the gaming to be operated through the Minnesota State Lottery. Kahn said the bill would "authorize real sports waging" for the state, with proceeds going into the state's general fund, although she said it would be hard to predict the amount.

Under the bill the state would collect taxes ranging from 3 percent to 6.25 percent of gross revenues of sports bookmakers, based on the volume of gross receipts.

Kahn said Minnesotans spend an estimated \$2 billion annually on sports gaming, either through traditional means or online.

Examples of Internet sports gambling were presented to the committee, including a site that allows an individual to bet on games all over the world simply by registering a credit card.

"This would give an outlet for someone to go someplace local," Kahn said. HF830 would have allowed gaming at any facility that offers state lottery games.

George Anderson, director of the Minnesota State Lottery, said several states have legalized sports gaming, citing Oregon as an example. Also, "Europeans do it a great deal," he explained.

Rep. Steve Strachan (R-Farmington) asked how many problem gamblers use sports betting as the main form of gaming.

In a later interview, Don Feeney, research and planning director of the Minnesota State Lottery, said that a study done by the University of Minnesota involving 944 participants surveyed at various treatment facilities across the state showed that 2 percent of compulsive gamblers use sports gaming as their preferred form.

"Would a casino be able to offer (sports betting), as well?" asked Rep. Jim Knoblach (R-St. Cloud). Anderson said because of the way Indian compacts are set up, a tribe would have to request to reopen them. Once that request is made, the state could ask for additional terms.

Other highlights of the bill include the creation of a Minnesota active recreation fund to be used for children's sports programs, amateur sports facilities, and hiking and biking trails. Net proceeds from the sports games are to be deposited into this account.

The bill has no Senate companion.

Prevention programs

Saying it needed more information about how state dollars would be spent, the House Health and Human Services Finance Committee moved a bill about compulsive gambling along to another committee April 1 without further recommendation.

"I think we are lacking some key information here," said Rep. Fran Bradley (R-Rochester) of HF924, which would annually transfer \$150,000 in unclaimed state lottery winnings to the Minnesota Council on Compulsive Gambling, created by the Legislature in 1988. Bradley said the committee wished to know more about exactly how the council would spend the funds, including what amount would be dedicated to prevention programs.

The bill was referred to the House State Government Finance Committee, but will have to return to the health finance committee, which Bradley chairs, before going to the House floor or being included in an omnibus finance bill.

Rep. Thomas Huntley (DFL-Duluth) sponsors the bill. He equated compulsive gambling to drug, alcohol, and caffeine addictions and said it is especially important to reach teenagers before they begin to gamble. He said unclaimed lottery winnings were an appropriate source of funding for such a program.



Betty George, CEO of North American Training, testifies before the House Health and Human Services Finance Committee April 1 in support of a bill that would provide funding for compulsive gambling prevention and education in St. Louis County.

Part of the money would be earmarked for a program targeting adolescents and providing training for adults working with teens on gambling prevention, said Betty George, the council's executive director. She said the program has been featured on national news programs and children's television shows and has reached about 54,000 students statewide in five different languages with classes, books, newsletters, and targeted school supplies.

George said she would be prepared with a detailed breakdown of the program's spending the next time the bill comes before the committee.

A Senate companion (SF788), sponsored by Sen. Yvonne Prettner Solon (DFL-Duluth), awaits committee action.

GAME & FISH

*

Designating fair game and fish

An omnibus game and fish bill that would get duck hunters out of bed earlier on opening day, would allow certain hunting techniques, and targets species that have been outlawed for several decades was approved by the House Environment and Natural Resources Policy Committee April 1.

HF789, sponsored by Rep. Joe Hoppe (R-Chaska), also attempts to get tougher on scofflaws who fail to show up in court or pay court-ordered fines for game and fish violations. Under the bill, those transgressions could result in the three-year revocation of game and fish license privileges.

In response to what the Department of Natural Resources (DNR) said was constituent input that fish size was declining and a desire to "increase the awareness of larger fish," another provision would permit anglers to keep only one walleye longer than 20 inches and one northern pike longer than 24 inches daily. Current law places those selective harvest limits at 24 inches and 30 inches, respectively.

"Our goal is to try to ratchet a little more toward providing a bigger fish for our anglers," DNR Fisheries Director Ron Payer told the committee March 26.

These new restrictions would not apply to border waters, and Lake of the Woods has separate rules. Rep. Larry Howes (R-Walker) successfully amended the bill to also exclude spearfishing from the new lengths. "The fish won't wait there for you to get a tape measure," he said.

Howes also added an amendment to the bill that would allow bear hunters to use hounds, if the DNR decides to authorize such a season.

The technique was not prohibited in the state until bears were protected in the 1970s,

said Ed Boggess, assistant director of the DNR Wildlife Division, but a growing bear population has the potential to cause a lot of trouble for people.

The bill would add mourning doves to the statutory list of game birds and authorize a mourning dove hunting season, which has been prohibited in the state since 1947.

Several bill provisions are aimed at young hunters. The bill would allow turkey hunters under the age of 16 to be accompanied by unlicensed, unarmed adults. Minnesota residents under age 18 would be sanctioned to take up to 25 turtles for nonprofit turtle racing, as long as the turtles are returned to their natural habitat after the race. And the bill clarifies that \$5.50 youth deer licenses without tags are available for archery as well as firearm hunting.

The bill is headed for the House floor.

A Senate companion (SF887), sponsored by Sen. Tom Saxhaug (DFL-Grand Rapids), has been referred to the Senate Environment and Natural Resources Committee.

GOVERNMENT



Finance department changes

A bill that would, among other things, transfer the duties of the former state treasurer position to the Department of Finance was approved April 2 by the House Governmental Operations and Veterans Affairs Policy Committee.

The office was officially abolished in January, and the duties have already been adjusted per an executive reorganization order.

With the potential shifts of treasurer duties to the finance department, Rep. Eric Lipman (R-Lake Elmo) voiced concerns that the areas "are not separated enough." No changes were made to HF943 to reflect the concerns.

Sponsored by Rep. Jim Rhodes (R-St. Louis Park), the bill also clarifies what the duties are and makes several other changes to the Department of Finance.

The bill strikes language mandating a department report showing the state's earnings through fees and fee expenditures.

Rep. Loren Solberg (DFL-Grand Rapids) raised the concern in a previous House Ways and Means Committee because of a deadline for the information by the end of January.

Solberg asked how the Legislature is to know "which (fees) should be raised, and which should be lowered" if there isn't a report.

"My decision was based on staffing issues," said State Budget Director Peggy Ingison. She added that a survey had been done among legislative staff and found the report "doesn't give the most meaningful information."

An amendment was successfully added that

changes the report deadline to November 30 of each even numbered year.

Another amendment was offered by Rep. Paul Thissen (DFL-Mpls) that would have eliminated 50 positions in the executive branch. Thissen explained the amendment reflects "what's happening in the private sector."

Rhodes responded he didn't want to change to bill since all parties affected were not present at the late-evening meeting. The amendment was not successful.

The bill now goes to the House floor.

A Senate companion (SF997), sponsored by Sen. Geoff Michel (R-Edina), awaits committee action.

Fiscal impact notes

A bill that would permit local units of government to better understand how a rule proposed by a state agency would financially affect them cleared another committee April 1.

Sponsored by Rep. Marty Seifert (R-Marshall), HF624 was approved by the House State Government Finance Committee and referred to the House Ways and Means Committee.

According to the bill, "The elected governing body of a city, township, county, school district, or sanitary district may request the commissioner of finance to prepare a local fiscal impact and fiscal benefit note on a rule proposed by a state agency." Such rules have the full effect of law.

The bill also requires agencies to determine if the anticipated costs of complying with the proposed rule would exceed \$10,000 annually for one person or one entity. If the cost would exceed that mark, the rules cannot take effect until legislative approval occurs. This is not applicable if the Legislature has appropriated money sufficient to fund the expected rule cost or if the rule was prompted by federal mandate.

During the meeting the bill was amended to allow the Finance Department to charge the requesting entity a \$35 hourly fee for time spent preparing the note. "The department says that this would cover their costs," Seifert said. "Members have said they want this (bill) to be cost-neutral."

The amendment also says that once a request has been received by the department, the requesting entity must be given an estimate of what the total charge would be and the opportunity to drop the request once the cost is known. A fiscal note states that the department estimates "a typical local impact note will require 21 hours to complete."

A companion bill (SF1070), sponsored by Sen. David Senjem (R-Rochester), awaits action in the Senate State and Local Government Operations Committee.

GREATER MINNESOTA



Increasing rural speed limits

The House Transportation Policy Committee approved a bill April 1 that would increase the daytime speed limit on paved highways outside urban districts that are not freeways or expressways to 65 miles per hour.

The bill (HF1071), sponsored by Rep. Marty Seifert (R-Marshall), now moves to the House Transportation Finance Committee. Night-time speed limits would remain at 55 miles per hour under the bill. It does not specifically define nighttime hours.

Calling it a bill that better reflects the reality of Minnesota drivers, Seifert listed three reasons to support the bill:

- the actual flow of traffic is faster than 55 mph,
- faster speed limits would raise more gas tax revenue as vehicles consume more fuel, and
- vehicles are safer today than they were 30 years ago when the speed limits were established.

"I think what we need to do is acknowledge the reality of our citizens," Seifert said. "A majority of our residents are blatant violators of the law every day."

In addition, violations of the 65 mph speed limit that are within 10 miles per hour above would not be entered on a motorists driving record. That exception is currently allowed for the state's 55 mph speed limits.

According to information Seifert provided to the committee from the Insurance Institute for Highway Safety and the Highway Loss Data Institute, only North Dakota and Montana have different day and night speed limits on the same types of highways as those covered in the bill. In addition, 19 states have speed limits on the roads of higher than 55 mph.

Several committee members questioned Seifert's logic that because motorists are already traveling above the speed limit, the limit should be raised.

Rep. Alice Hausman (DFL-St. Paul) said she found it an interesting concept that because people are breaking the law, the law should be changed.

Echoing her concerns, was Rep. Peter Nelson (R-Lindstrom). He wondered what happened to the notions of speed killing and the concepts of energy conservation that led to lower speed limits. He also suggested that the increased speed limits might not be appropriate statewide.

"Our topography is a whole lot different than either of the Dakotas," Nelson said.

Seifert acknowledged that some areas do not have the same kinds of wide, straight roads as there are in the western part of the state.

Rep. Mark Olson (R-Big Lake) said he

supported the bill because speed limits should be set according to what's comfortable for motorists on the road.

During discussion, Rep. Joe Opatz (DFL-St. Cloud) unsuccessfully proposed raising the rural interstate speed limit from 70 mph to 75 mph.

The bill's Senate companion (SF1248), sponsored by Sen. David Tomassoni (DFL-Chisholm), awaits action in the Senate Finance Committee.

HEALTH

Abortion legislation

The House passed a bill March 31 that would require abortion providers to provide women with certain specific information at least 24 hours before performing an abortion.

By a 91-41 vote that crossed party lines, law-makers adopted HF668 and passed it along to the Senate where a companion bill has not yet received a committee hearing.

Sponsored by Rep. Mary Liz Holberg (R-Lakeville), the bill would require that women seeking an abortion receive information from a physician about risks associated with the procedure, the probable age of the fetus at the time of the abortion, and the medical risks associated with carrying a child to term. The information could be conveyed in person or over the phone.

Additionally, the bill would require women be told about the father's obligation to support a child carried to term and about any state Medical Assistance benefits that might be available for prenatal, childbirth, and neonatal care. Women would also be given the opportunity to review printed information about the probable physical and physiological development of a fetus.

Women would be required to certify in writing before the abortion that they received the required pieces of information and physicians would have to report their compliance with the law to the state.

Supporters say the bill is about giving women valuable information to help them make a very important decision.

Opponents criticized it as unnecessary since the state already requires women to give informed consent prior to getting an abortion. Some said the \$488,000 estimated biennial price tag was too high given the looming budget deficit.

Rep. Jean Wagenius (DFL-Mpls) said the bill was not about information but about censorship, "because it is only certain information that we will give women. Not all information, just certain information." She unsuccessfully offered an amendment that would require providing even

more information to women about how to have a safe and healthy pregnancy.

Hers was one of several DFL amendments offered during the two-hour floor debate, all of which were defeated by a significant margin.

Rep. Jim Davnie (DFL-Mpls) proposed allowing women, in consultation with their physicians, to waive their right to the information required under the bill.

Rep. Michael Paymar (DFL-St. Paul) said it would be "humiliating" to make victims of sexual assault hear information about the responsibilities of the father if the child is born. He proposed an amendment to exempt rape and incest victims from the information requirements.

"While certainly a woman is under great stress if she is a victim of sexual assault," Holberg said, "it should not negate her ability to get complete information prior to making this decision."

The bill would also define an "unborn child" as a human from fertilization until birth. Responding to criticism that the definition set a precedent not based on medical science, Holberg said the definition applied only to her bill and would have no effect on other state laws or practices.

Sen. Jim Vickerman (DFL-Tracy) sponsors the Senate companion (SF695).

A procedural move on the House floor April 2 stalled an attempt to attach the bill as an amendment to a different measure that had already passed the Senate.

Family planning grants

A bill that would limit the use of state family planning grants to groups unaffiliated with abortion services was approved by the House Health and Human Services Policy Committee March 31 and now goes to the full House.

Sponsored by Rep. Mary Liz Holberg (R-Lakeville), HF436 would prohibit state family planning funds from going to organizations that provide abortions or consider abortions part of a continuum of family planning services. Under the bill, grant recipients could not refer patients to abortion providers, display information about the legality or accessibility of abortion services, or mention abortion as an option to pregnant women. Organizations could also not be affiliated with any group that provides abortions.

The bill would require groups applying for grant money to submit independent audits certifying their compliance with the bill's requirements.

The family planning grants at issue are part of maternal and child health block grants the state gives for distribution by counties. Grants to eliminate health disparities would also be affected.

"It is a legitimate exercise of the government to make sure that the programs it subsidizes with taxpayers' money are limited to the uses for which they were established," said Andrea Rau, legislative associate for Minnesota Citizens Concerned for Life.

Sarah Stoesz, president and CEO of Planned Parenthood of Minnesota and South Dakota, said the bill severely discriminates against poor women by only imposing restrictions on doctors providing state subsidized services, "but women who do not rely on subsidized services will receive all the counseling that they request and are entitled to." In addition, she said, decreased access to family planning services for the poor will likely lead to more unintended pregnancies and more abortions.

Stoesz said her organization and similar groups might be forced to shut their doors or turn people away if state funds are withdrawn.

Rau told committee members that abortion has become "big business" in Minnesota and that the bill would not prohibit Planned Parenthood from providing any of its services. It could simply not provide them with taxpayer dollars.

Rep. Fran Bradley (R-Rochester) said court rulings require that the state continue to cover abortion services under its subsidized health care programs, but it is reasonable for the Legislature to decide what restrictions to put on grant money allocated to other organizations.

A Senate companion bill (SF431), sponsored by Sen. Thomas Neuville (R-Northfield), awaits committee action.

Immunization requirements

The commissioner of health would need to consult with more people and groups when deciding whether to change Minnesota immunization requirements, under a bill approved by the House Health and Human Services Policy Committee March 27.

The health commissioner has authority, granted in a 2001 law, to change immunization requirements as long as those changes are recommended by three national physicians' organizations.

Under the law, the commissioner must also consult with the commissioners of human services and children, families and learning, the president of the University of Minnesota, and the chancellor of the Minnesota State Colleges and Universities system.

HF887, sponsored by Rep. Jim Abeler (R-Anoka), would add six more groups to that list, including the Minnesota Natural Health Coalition, Vaccine Awareness Minnesota, Biological Treatment for Autism Treatment, the Minnesota Academy of Family Physicians, the

American Academy of Pediatrics-Minnesota Chapter, and the Minnesota Nurses Association.

Abeler said the Health Department is already communicating with the groups, and does not oppose requiring their input. "This is going to move the whole discussion along in a positive way," he said.

Rep. Joe Opatz (DFL-St. Cloud) said he thought the bill was resolving a problem that does not actually exist. Rep. Thomas Huntley (DFL-Duluth) also opposed the bill, saying it "puts groups that don't believe in the scientific method on the same level with experts who do."

Abeler proposed an amendment removing language from the bill requiring a "vaccine safety checklist" be given to people getting vaccinations. The checklist would have started with the words, "Sometimes a child should wait before getting certain vaccines, or should not get them at all. ..." The committee approved the amendment.

The bill next goes before the full House. A Senate companion (SF1078), sponsored by Sen. Sean Nienow (R-Cambridge), awaits committee action.

Paying more for care

State workers, legislators, and constitutional officers may have to pay more for health care, according to a bill approved March 31 without recommendation by the House Governmental Operations and Veterans Affairs Policy Committee.

Currently the state pays for 100 percent of state employees' health insurance premiums, if they do not carry a spouse or dependent on their plans. HF1099 would change that to 80 percent.

Rep. Paul Kohls (R-Victoria), the bill sponsor, said the state needs to cut costs and "this is one proposal to address the state budget." Very few employers are paying 100 percent for coverage, he added.

Rep. Loren Solberg (DFL-Grand Rapids) said the legislation is an attack on family and attack on working people, and Health Maintenance Organizations should be the ones to attack

Kohls responded that the bill represents the "reality of the increasing cost of insurance." He said the money saved by the difference equates to 3,000 state jobs.

Representing Teamsters Local 120, Rob Johnson said the state is going down a slippery slope when it negotiates benefits. He explained that state employees are paid less than their counterparts in the private sector, and good health care coverage is partly why employees continue to work for the state.

The average age of a state worker is 46, said Brian Bergson, legislative affairs director for the Minnesota Association of Professional Employees, which represents about 19,000 state professional workers. They "are getting close to retirement" and changing the health care coverage puts them farther behind the private sector, he said.

Rep. Keith Ellison (DFL-Mpls) asked how much of a pay cut workers would be getting with the potential pay freezes and the change in health benefits. Johnson said the total would be about 23 percent.

The bill now moves to House State Government Finance Committee.

A companion bill, (SF1047), sponsored by Sen. Sheila Kiscaden (IP-Rochester), awaits committee action.

Giving vaccines

Minnesota pharmacists would be allowed to administer two common immunizations under a bill passed by the House Health and Human Services Policy Committee March 31.

Sponsored by Rep. Jim Abeler (R-Anoka), HF692 permits pharmacists with proper permission and training to give influenza and pneumococcal vaccines to adults. Pharmacists

COMMUNICATING NEED



PHOTO BY ANDREW VON BANK

Stacie Leeper of Bemidji testifies before the House Health and Human Services Policy Committee March 31 in support of a bill that would regulate insurance coverage for communication aids or devices. Leeper's 21-month-old son, Kade, was born hearing impaired and requires hearing aid devices.

administering the immunizations would have to do so under agreement with a licensed physician.

Liz Carpenter, director of pharmacy and legislative affairs for the Minnesota Pharmacists Association, said pharmacists have long been involved in promoting and educating people about the value of immunizations. She said 36 other states currently allow pharmacists to immunize patients.

"In other states where pharmacists are immunizing there have been increases in immunization rates," Carpenter said. "In these states the number of vaccines administered have increased in both primary care clinics and in pharmacies because of increased access and awareness."

New pharmacists are already trained in administering vaccinations as part of graduate school curriculum, she said, while many of those same schools offer continuing education programs to train current pharmacists.

The bill would require pharmacists to report the vaccinations to a patient's primary physician.

Rep. Duke Powell (R-Burnsville) asked if distributing flu vaccines to more locations could result in a shortage in certain areas.

A Department of Health official said that should not be a problem. "When we have a situation where vaccine is in short supply, we have criteria for high risk groups, when they can get vaccine and who should be providing them with vaccines," said Kris Ehresmann, manager of the Immunization, Tuberculosis, and International Health Section at the department.

The bill next heads to the House floor.

A companion bill (SF574), sponsored by Sen. Linda Higgins (DFL-Mpls), awaits committee action.

HIGHER EDUCATION

Student fees

Some fees paid by college students would need legislative approval, under a bill that may become part of the House Higher Education Finance Committee's omnibus bill.

Rep. Tim Wilkin (R-Eagan), the sponsor of HF742, told the committee March 31 that the issue was brought to his attention by parents concerned about the general increase in fees and a constituent's concern about the appropriateness of uses of some fees.

As an example, he referred to a University of Minnesota event called the Sex Workers' Art Show. The show, designed to contradict the stereotypes that surround work in the sex industry, was sponsored by the university's Women's Student Activist Collective.

The bill would require that the Minnesota State Colleges and Universities (MnSCU) Board of Trustees and University of Minnesota Board of Regents receive legislative approval of all mandatory fees paid by students as a condition of enrollment. "I would imagine most fees would be non-controversial," Wilkin said. Currently the boards have final say in student fees.

He said if a fee were not mandatory, students would have to opt-in to pay the fee. If such a fee rises to the need of mandatory, then the schools can come to the Legislature to make it mandatory, Wilkin said. "This puts students in the driver's seat for what their money is used for."

Total fees can easily reach into the hundreds of dollars per semester for each student.

At the university's Twin Cities campus, students registered for six or more credits pay \$280.22 per semester in student services fees, with money going to 28 organizations ranging from 16 cents for the Students for Family Values to \$90.14 for the Boynton Health Services to help promote public health activities. These fees are in addition to tuition, and they do not include course, technology and collegiate fees, and a university fee, which helps cover infrastructure and administrative support costs.

Richard Pfutzenreuter, chief financial officer and treasurer at the university, opposes the bill. "I think we have a good process now for what the fees are," he said, warning that if the bill becomes law many fees will just be rolled into tuition.

However, Dan Nelson, a member of the university's student fees committee, said the Board of Regents does not always follow its organizational funding recommendations. He said it's "fairly common" for the board to reverse the decisions of the committee. Pfutzenreuter said changes are "not that frequent."

Sam Edmunds, student body president at Metropolitan State University and a member of the Minnesota State University Student Association, is also against the bill. "We see this as micromanaging what works well for us," he said. "It's not feasible for students to come to the Capitol to fight for fees."

Rep. Lyndon Carlson (DFL-Robbinsdale) expressed concern that the bill would make the Legislature the ruling body for the institutions.

A companion bill (SF1257), sponsored by Sen. Mike McGinn (R-Eagan), awaits committee action.

State grant eligibility

Students attending a private, for-profit institution may not receive a dime from the state grant program, under a bill heard April 2 by the House Higher Education Finance Committee.

Sponsored by Rep. Marty Seifert (R-Marshall), HF862 will be considered for inclusion in the committee's omnibus bill.

Examples of such institutions are Duluth Business University, National American University at the Mall of America, and Rasmussen College in Eagan, Mankato, Minnetonka, and St. Cloud.

According to numbers from the Minnesota Career College Association, approximately 15 percent of students receiving a state grant attend a private, for-profit college, and receive 18 percent of state grant dollars awarded.

Seifert said that programs offered by many private, for-profit institutions meet many needs for the people of the state, but "this deals with the prioritization of dollars. I want to bring this forward so we can think about where we want to go with state grant dollars."

Any post-secondary educational institution is currently eligible to participate in the state grant program if the Higher Education Services Office, which administers the program, determines that the institution "maintains academic standards substantially equivalent to those of comparable institutions operated in this state."

Philosophically, Seifert said, the committee needs to decide if tax dollars should be put into for-profit institutions and how to measure what the state gets back for the dollars it puts in.

"We're not condemning money to the schools, but you need to prioritize to state institutions first, especially in hard times," said Yorgun Marcel, chair of the Minnesota State University Student Association.

Rep. Ray Cox (R-Northfield) expressed concern about hurting students "that are getting good educations at these schools."

Deana Cavaliere, an interior design student at The Art Institutes International Minnesota in Minneapolis, said that her husband is also a full-time student in an electrical program at Dunwoody Institute. They have a 9-year-old daughter and their family income last year was \$18,000. Cavaliere said without the state grant program, "We would not be able to improve ourselves." She said their goal is to eventually go into business for themselves.

Jeanne Herrmann, director of Globe College, said that many of these schools serve lower income Minnesotans, noting that 48 percent of students attending an association institution have family incomes of less than \$40,000. "Our students need to be given the same choices and funding opportunities as other students."

A companion bill (SF529), sponsored by Sen. Sharon Marko (DFL-Cottage Grove), awaits committee action.

Summer grants

As the House Higher Education Finance Committee looks to make changes within the state grant program, a number of options will be considered.

"Let's lay it all out so we can clearly define what a student can expect for the next two years," said Rep. Doug Stang (R-Cold Spring), the committee chair.

One option examined by the committee April 2 was HF1242, sponsored by Stang. It calls for the elimination of state grants for students attending classes during summer terms.

"This is not being done easily," Stang said. "This is something I pushed for in the past." The program was approved in 1995, but funding was not authorized until 1997.

Stang said the bill is one proposal to address the potential higher education funding shortfall and may help to partially offset projected higher tuition rates. He said the grants would be more focused on students during a traditional school year; meaning amounts could be higher for those students. "This plan minimizes the number of students affected," he said.

Not surprisingly, student groups are against the plan.

"Eliminating these grants will prevent many students from attending school and will increase the length of time it takes others to graduate," said Yorgun Marcel, chair of the Minnesota State University Student Association. He said that the organization would prefer that a student grant be prorated throughout the year. Brent Glass, executive director of the Minnesota State College Student Association, said his group echoes that sentiment.

Also speaking against the proposal was Mike Lopez, Minnesota State Colleges and Universities (MnSCU) associate vice chancellor for student affairs. "Those taking classes in the summer are some of our most serious, goal-oriented students," he said. "They want to get done quickly and no longer drain family funds."

The bill, which will be considered for possible inclusion in the committee's omnibus finance bill, has no Senate companion.

Volunteering for a grant

Some college students may have to work to get money from the state if a bill heard in a House committee becomes law.

Sponsored by Rep. Marty Seifert (R-Marshall), HF843 would require five hours of volunteer service from students that receive more than \$2,000 per semester in state grants. If the volunteer requirement is not met, the grant would be capped at \$2,000.

Heard by the House Higher Education Finance Committee March 27, the bill will be

considered for inclusion in the committee's omnibus bill.

"Minnesota is one of the most generous states in what we give without getting anything from the student," Seifert said. "There needs to be some personal responsibility for the high grant amounts."

Under the bill, students would be required to volunteer at a nonprofit or community organization. Students with disabilities would be exempt from the requirement.

Students would be responsible for providing proof that the requirement has been met, and the institution must then notify the Higher Education Services Office, which awards the grants.

At a time when the state is likely to provide less money to higher education, Rep. Ron Latz (DFL-St. Louis Park) asked what the financial cost would be to the institutions to process the paperwork. Seifert said no fiscal note has been prepared, but he is willing to work with the schools to "make this work."

Seifert called the \$2,000 amount and hours required somewhat arbitrary, but said "if you think about this as a concept you need to start with baby steps."

"We're open to seeing how this works and getting feedback from the students," said Frank Viggiano, executive director of the Minnesota State University Student Association.

Rep. Carla Nelson (R-Rochester) said she agrees with the concept of personal responsibility, but was concerned about balance. If too little voluntarism is required it puts a burden on the institutions, she said, but if too much is required it could distract students from their studies.

Seifert admitted there are other issues with the bill, including that it disproportionately would affect private college students.

According to numbers provided by the non-partisan House Research Department, 4,931 students attending four-year private institutions, and 589 attending two-year private schools received the targeted amount of grants for this school year. By comparison 1,396 public school students surpassed the \$2,000 per semester mark. More than 71,000 students received state grants this year.

A companion bill (SF1105), sponsored by Sen. Sharon Marko (DFL-Cottage Grove), awaits committee action.

Reduced credit aid

Students who need to take more than 120 credits to achieve their collegiate degree may not receive a state grant throughout their entire educational career, under a bill heard in a House committee.

Sponsored by Rep. Bill Kuisle (R-Rochester), HF449 would reduce the time period of eligibility for the state grant award to an equivalent to eight semesters of full-time credits. Currently, the maximum time period for eligibility is 10 full-time semesters. State statute considers a full-time student as one taking 15 credits per semester, so in essence the bill would drop credits for student aid eligibility from 150 credits to 120.

Kuisle told the House Higher Education Finance Committee March 27 that an eligibility increase from eight semesters to 10 occurred two years ago, but "the amount of state grants to go around is now more scarce." The bill does not take money from the state grant program.

The bill, which has no Senate companion, will be considered for inclusion in the committee's omnibus bill.

Rep. Ron Latz (DFL-St. Louis Park) expressed concern that those students who want to take more credits to make themselves more well-rounded would be hurt by this bill.

Conversely, Rep. Jeff Anderson (R-Austin) said that when he was attending a state university he made sure to "stay the course and finish in the least time possible. We should expect the same when the state is paying."

Mike Lopez, Minnesota State Colleges and Universities (MnSCU) associate vice-chancellor for student affairs, said college is a time of career exploration and students oftentimes change their majors, meaning it takes longer to get through school.

Others, including Rep. John Dorn (DFL-Mankato), said that some majors take more than 120 credits to complete.

Craig Swan, vice provost for undergraduate education at the University of Minnesota, said that most degrees on the university's Twin Cities campus require 120 credits, although some require 128, most notably nursing and engineering. Lopez said all state universities except, Metropolitan State and St. Cloud State, require 128 credits for a bachelor's degree.

Missi McLaren, president of the Minnesota State College Student Association, said students need credit flexibility. For example, she said some students must attend full-time to stay on their parent's health insurance plan. "If classes aren't offered, cutting back credits is not an option," she said. Sometimes they may have to take a remedial class, such as math or English before entering a program, she said, or extra classes to meet a foreign language requirement.

INSURANCE



Restricting state sales

A bill aimed at stopping the North Dakota state government from selling workers' compensation insurance to North Dakota businesses to cover workplace injuries among their employees working in Minnesota was approved April 2.

HF971, sponsored by Rep. Chris Gerlach (R-Apple Valley), prohibits insurance companies controlled or owned in whole or part by any government from transacting insurance deals in Minnesota.

The bill was amended by the House Commerce, Jobs, and Economic Development Policy Committee, however, to allow the North Dakota state government to open a small insurance company in Minnesota to continue selling insurance to North Dakota businesses whose employees work in Minnesota, but only if the employees are in Minnesota for no more than 30 consecutive days.

According to the nonpartisan House Research Department, an amendment to the bill exempts from the ban the Minnesota Department of Administration, which sells some insurance to local government units, from the ban.

The bill originated after the Minnesota insurance industry protested the neighboring state's selling of insurance, according to House research staff.

The history behind the situation is lengthy, according to Brent Edison, executive director of North Dakota Workers' Compensation, the exclusive provider of workers' compensation insurance in North Dakota.

To protect North Dakota employers needing insurance to cover workplace injuries among their employees working in other states, the North Dakota Legislature proposed reciprocity agreements with other states in 1968. Agreements were successfully negotiated in Idaho, Montana, Nevada, Oregon, South Dakota, Washington, and Wyoming. But Minnesota rejected any agreement.

As a result, North Dakota businesses were penalized as uninsured and were unable to obtain competitive Minnesota coverage for incidental exposures, according to information provided by Edison.

After numerous attempts to broker a reciprocity deal with the Minnesota Department of Labor and Industry, the North Dakota Legislature authorized developing its own insurance carrier, which began insuring relevant businesses in 2002. It did so, according to Edison, upon the recommendation of the Minnesota Department of Commerce.

A Senate companion bill (SF1298), sponsored by Sen. Dan Sparks (DFL-Austin), awaits action.

LAV

Closing guardianship loopholes

By a 121-9 vote, the House approved a bill April 2 that makes changes to state laws governing guardianship of children and incapacitated adults.

Recommended by a committee of the Minnesota Bar Association that spent two years reviewing the laws, HF166/SF112* would repeal and replace dozens of sections of current state law.

The bill's House sponsor, Rep. Paul Thissen (DFL-Mpls), said the bill would leave most state law on the subject intact, but it would close loopholes and clarify some legal processes.

Among other things, the bill would more clearly define the roles of a "guardian" and "conservator" as someone to act on behalf of a person and someone to manage a person's estate, respectively.

In the area of guardianship for minors, the bill would allow a court to appoint a guardian for a child with the parents' consent, if the parents' rights have been terminated, or if they are unable or unwilling to exercise their rights. It specifies who may apply to be a child's guardian and how that application should be made. Guardians would be specifically allowed to apply for state benefits and services, be entitled to "reasonable compensation," and be liable for injury to the child caused by a third party to the same extent a parent would be.

For incapacitated individuals, the bill would allow parents or spouses to appoint a guardian for someone they believe to be incapacitated in the event the parent or spouse is unable to care for the person. They would be given the ability to limit the powers of the guardians they appoint.

Another aspect of the bill would create a list of priorities for judges to use when appointing a guardian for an incapacitated person. In order, those priorities would be the current active guardian; someone appointed under a health care directive; a spouse or someone identified by the spouse in a will; an adult child; a parent or someone identified by a parent in a will; or an adult with whom the person has resided for six months.

The bill would also specify that an incapacitated person would not lose their right to vote unless the court expressly takes it away.

Because it was amended in the House, the bill now returns to the Senate where it previously passed 66-0 on Feb. 20. Sen. Don Betzold (DFL-Fridley) is the Senate sponsor.

LOCAL GOVERNMENT

Fireworks retailer fees

Fireworks retailers would no longer be subject to high inspection and licensing fees from cities when selling sparklers and other legal fireworks under a bill receiving committee approval March 27.

Proponents of HF800 testified that cities throughout Minnesota have been circumventing a 2002 state law allowing the sale of sparklers and small fireworks by imposing excessive licensing, application, and licensing fees, as well as requiring background checks of sellers and high-premium insurance policies.

Sponsored by Rep. Tom Hackbarth (R-Cedar), the bill was approved by the House Commerce, Jobs, and Economic Development Policy Committee.

At the bill's next stop, on April 2 before the House Local Government and Metropolitan Affairs Committee, the bill was amended to delineate annual license fees that municipalities may charge. Those selling only fireworks could not be charged more than \$350. Retailers selling fireworks in addition to other items could not be charged more than \$100.

The bill also states that no local unit of government may prohibit the sale of fireworks legalized by state law in 2002, which include



Eric Robbins of TNT Fireworks tells the House Commerce, Jobs and Economic Development Committee March 27 of the high fees some cities are requiring for tents that sell sparklers and fountain type fireworks.

toy pistols, sparklers, snakes and glow worms, smoke devices, trick noisemakers, and string poppers.

Under the bill, cities also may not impose upon fireworks sellers any financial guarantee requirements — including bonding or insurance provisions — that are not imposed on a similar basis to other licensed businesses.

Testifying in support of the bill were numerous pastors whose churches and youth groups sold fireworks last summer as fundraisers. They said cities were imposing inspection and licensing fees as high as \$1,100 in an effort to keep fireworks from being sold.

Sellers did not anticipate that local government units would impose fees and other restrictions, said Buzz Anderson, president of the Minnesota Retailers Association. "It took some legislators by surprise as well," he added.

Testifying against the proposal were the League of Minnesota Cities and the Minneapolis fire marshal's office. The latter charges a \$500 annual fee, which includes a two-to four-hour inspection of the selling point, and three to four hours of education to the seller's staff, as well as literature for distribution to customers.

"If not used appropriately and supervised appropriately, they're dangerous," said Minneapolis Fire Marshal Tom Deegan, of fireworks.

The bill now moves to the House floor. A Senate companion bill (SF672), sponsored by Sen. David Tomassoni (DFL-Chisholm), awaits action in the Senate.

Mandate debate

In a late-night meeting April 2 involving rigorous debate, a bill that would allow local governments a process for opting out of nearly every sort of state mandate was tabled by the House Local Government and Metropolitan Affairs Committee.

The future is now uncertain for HF473, sponsored by Rep. Mark Olson (R-Big Lake), because all bills have to clear all policy committees in their house of origin by April 4 to be considered further.

The committee voted to table the bill after Rep. Jerry Dempsey (R-Red Wing), the committee chair, called for a recess to allow the Republicans to caucus regarding an issue.

Prior to the caucus, Rep. Keith Ellison (DFL-Mpls) offered an amendment that would have disallowed local government units from opting out of the state Human Rights Act.

"I think that certain things should not be a matter of debate, and that (includes) human rights," Ellison said.

Olson said he was willing to follow the committee's lead, but that he intentionally left

to a minimum the mandates that local governments could opt out of. The state government could eventually improve upon laws, he said, by seeing what changes are debated at the local level.

"I don't think the human rights act is perfected," he added.

After debate between Ellison and Olson, Rep. Carla Nelson (R-Rochester) moved to table the bill. With only Nelson and Dempsey voting for the motion, the bill remained open for discussion and action.

A few minutes later, Dempsey called for the caucus recess and members returned and tabled the bill.

HF473 would allow cities, counties, school districts, and townships to adopt a resolution, following a public hearing, to opt out of any state mandate, save for those pertaining to election law, property tax laws, and accounting and financial management procedures and audit requirements.

The bill defines a mandate as any state law or rule related to local government structure, operation, services, programs, or financing that:

- imposes a cost or authorizes imposition of a tax or fee to cover that cost;
- decreases revenue without a commensurate decrease in services required by law;
- establishes mandates goals or practices;
- imposes criminal or civil liability for failure to follow or enforce the law or rule;
- restricts the ability to establish or finance services, programs, or plans; or
- implements or interprets federal law, and thereby changes service levels beyond those required by federal law.

A Senate companion bill (SF700), sponsored by Sen. Warren Limmer (R-Maple Grove), awaits action.

Agency withdrawal

A bill allowing the City of Rockford to withdraw from the Metropolitan Council was passed by the House 127-1, March 27.

On March 24 it passed the Senate 64-0.

The Metropolitan Council is a regional planning agency that serves the seven-country metropolitan area, save for three cities. Removed in 1978 was New Prague; 1980, Northfield; and 1983, Hanover.

In sponsoring the bill (HF415/SF512*), Rep. Dick Borrell (R-Waverly) said that Rockford has 1,100 homes in Wright County, which does not fall under the Metropolitan Council purview, and 84 homes in Hennepin County, which is in the council's jurisdiction. It's unnecessary, said Borrell, for the city to follow Metropolitan Council policies requiring

submittal of long-range plans, low-income housing reports, and other paperwork for a small portion of the city.

The City of Rockford supported the bill. Sen. Mark Ourada (R-Buffalo) is the Senate sponsor.

The bill was presented to the governor April 1. It awaits his signature.

METRO AFFAIRS

*

Stopping disparities

Two nearly identical bills that would have abolished a metropolitan area property tax sharing program may not go anywhere this session, despite a pair of committee hearings.

HF514, sponsored by Rep. Ann Lenczewski (DFL-Bloomington), and HF495, sponsored by Rep. Jeff Johnson (R-Plymouth), would abolish the metropolitan area fiscal disparities program. Both were heard by the House Taxes Committee March 27 and April 1, but neither was acted upon.

Rep. Ron Abrams (R-Minnetonka), chair of the taxes committee, said the bills are "dead for this year." In doing so he implied that the state budget crisis would not allow the bills, either one of which are estimated by the Department of Revenue to cost \$6.9 million through fiscal year 2007. Officials anticipate the changes would lead to greater property tax refunds for filers.

Under the program, in place since 1975, cities contribute 40 percent of their growth in commercial and industrial tax base since 1971 to a distribution pool. The money is then appropriated to contributing cities based on a formula accounting for population and property values.

When viewed from a county standpoint, only Hennepin County has given more than it has gained, according to the nonpartisan House research staff. The top gainer in the 2003 program was St. Paul, receiving \$21.9 million. The top contributor was Bloomington, giving \$14 million.

Redistribution of wealth is one thing, Lenczewski said, but she and Johnson believe the current program does this unfairly.

The current distribution formula does not account for local fiscal conditions, unmet needs, or economic pressures, Lenczewski added. While Minneapolis and St. Paul have long served populations larger than those that live within their borders, the corridor between her Bloomington-based district and Johnson's Plymouth-based district has more jobs than Minneapolis.

Both Bloomington and Plymouth are large economic driving forces and have large costs

associated with that — roads to handle commuter traffic being one of them. Yet, Lenczewski added, Bloomington and Plymouth have to give money to other cities under the program.

"Where is the job base?" she said. "Where is the hard-core growth for jobs in the metro area?"

But the Citizens League of Minnesota, according to President Lyle Wray, is against program abolishment.

"This achieves a major public purpose of equalizing tax base at a very low cost," Wray said.

HF514 lacks a Senate companion bill. The Senate companion bill to HF495 is SF635, sponsored by Sen. William Belanger (R-Bloomington). It awaits action.

Opening up HOV lanes

A bill that would open up high-occupancy vehicle lanes to single-occupant vehicles if they pay a fee to use the lanes was approved by the House Transportation Policy Committee April 2.

Sponsored by Rep. Chris DeLaForest (R-Andover), the bill would authorize the department to allow increased use of the lanes, upon receiving federal approval for such uses. Single-occupant vehicles using the lanes would have a transponder located in the vehicle that is recognized by electronic readers upon entering the lanes. Car pools and other multiple-occupant vehicles could still use the lanes free of charge.

Motorists would be charged different rates depending on where they enter the lanes and the level of congestion in the regular lanes. These express lanes are proposed for relieving congestion on Interstate 394 west of downtown Minneapolis.

Other specifics of the plan were not included in the bill, DeLaForest said, to allow the state Department of Transportation flexibility. However, additional revenue raised by the plan would be deposited in an account and those funds would be divided between paying for administrative costs and improving transit and carpool options in the corridor.

The plan would maximize existing infrastructure on I-394 that is currently being underutilized, DeLaForest said.

Said Margaret Anderson Kelliher (DFL-Mpls), a co-sponsor on the bill, "This is not about building more lanes. This is about maximizing capacity ... and moving traffic efficiently."

In addition supporters say this idea is one that not everyone would have to pay for, unlike a gas tax. Information provided to the committee showed that opening up the HOV lanes allow drivers the option of paying to move along the road more quickly. In addition, those drivers would free up space in the regular lanes of travel that would further alleviate congestion.

In addition, the option places a specific cost of traveling alone, which helps transportation planners measure the true costs of commuting alone, according to the information.

The bill now moves to the House Governmental Operations and Veterans Affairs Policy Committee. Its Senate companion (SF1061), sponsored by Sen. Ann Rest (DFL-New Hope), awaits action in the Senate Finance Committee.

Municipal consent requirements

The 2001 Legislature placed a moratorium on construction in the Highway 62 Crosstown Commons, where the road meets Interstate 35W along the Richfield-Minneapolis border.

Concerns from both local and state officials regarding the impact construction of the project would have on congestion, as a result of proposed lane closures, prompted the requirement that the state Department of Transportation take another look at the project and come up with a better solution.

Betsy Parker, associate department director of governmental relations, said the department has studied the project and developed an alternative plan with the services of a consultant. As it now stands, project bids will be let in September 2005, which means municipal consent for the project must be achieved between November 2003 and March 2004, she said.

As a result, the department has proposed a bill (HF1007), sponsored by Rep. Ron Erhardt (R-Edina), which would allow the project to be deemed an interstate project for the purposes of the municipal consent law. The bill was approved by the House Transportation Policy Committee April 2 and forwarded to the House floor.

State highways and interstate highways undergo different municipal consent procedures, Parker said. While both allow for appeals processes if a community vetoes a project, the appeal is not binding on an interstate project and the commissioner of transportation has the discretion to move forward, based on findings that the project is necessary.

Because both the state and interstate highway share the same roadway through parts of the project, Parker said, it should be considered an interstate project.

Tom Foley, transportation engineer for Richfield, said the revised project is much better than the previous one and that the city does not object to the new concept plan. He said the city does not think the bill undermines the municipal consent process.

However, Scott Benson, a Minneapolis City

Council member, said the bill sets a bad precedent. Though the city is supportive of the new design, Benson said he doesn't think the process should be bypassed.

"Whenever those two projects meet, are we going to divert to the lowest standard of municipal consent?" he asked.

Parker said that because there's no way to predict how the cities will react, even though they are part of the planning process, it's important the commissioner have discretion to construct significant projects of regional import.

Rep. Mary Liz Holberg (R-Lakeville) agreed in part, saying one or two cities should not be allowed to highjack significant regional projects.

Sponsored by Sen. Claire Robling (R-Jordan), the bill's Senate companion (SF1122) awaits action in the Senate Finance Committee.

Met Council changes

The boundaries delineating districts in the Metropolitan Council's jurisdiction would change, as would the commissioners' term lengths, under a bill approved April 1 by the House Local Government and Metropolitan Affairs Committee.

The redistricting map, presented as part of HF1228, sponsored Rep. Mark Buesgens (R-Jordan), drew concern from several legislators

Rep. Carlos Mariani (DFL-St. Paul), a member of the 2002 House Redistricting Committee, said redistricting is often political and divisive. And, there are purely technical matters to consider in redrawing boundaries. It's difficult to determine if the proposed Metropolitan Council redistricting map is good or bad within the 10 or 15 minutes a bill is before a committee, he added.

"I feel actually pretty uninformed," Mariani

Rep. Frank Hornstein (DFL-Mpls) said the proposed map creates a slight loss in representation by forming one district for both Minneapolis and St. Paul. In addition, he said, it would be a tall order for any commissioner to represent both cities.

Rep. Debra Hilstrom (DFL-Brooklyn Center) said one district in particular would be required to work with three counties, a challenging task. Buesgens replied that the commissioner who represents the district encompassing his city would be working with four counties.

Buesgens agreed to work with members to alleviate their concerns before the bill's next presentation at the House Governmental Operations and Veterans Affairs Policy Committee.

The bill would also have the 16 commissioners — all of whom are appointed

by the governor — serve four-year staggered terms, as well as having them serve at the pleasure of the governor. This would allow the governor to make new appointments to maintain philosophical alignments, Buesgens said.

Current law has the commissioners' terms ending with the governor's terms.

When filling unexpected vacancies, the governor could consider applicants from nominating rounds within the last 12 months, under the bill.

The Metropolitan Council is a regional governing and rulemaking body that oversees waste management, metropolitan transit, and regional planning for the seven-county Twin Cities metropolitan area.

A Senate companion bill has not been introduced.

Expanding Interstate 494

Members of the House Transportation Finance Committee are considering a proposal to appropriate \$620 million in bond proceeds to expand Interstate 494 in the southern Twin Cities metropolitan area.

The bill (HF484), sponsored by Rep. Paul Thissen (DFL-Mpls), was heard by the committee on April 1 and 2. It will be considered for inclusion in the committee's omnibus transportation finance package.

Specifically, the bill would provide for four lanes of traffic in each direction on I-494 from its intersection with Cedar Avenue in Richfield and Bloomington to its intersection with Highway 100.

Transportation Department officials testified that the road reached its capacity in the late 1980s. It now carries 175,000 vehicles per day, but its congestion forces another 17,000 vehicles per day onto the local roads along the interstate, said Tom O'Keefe, planning director with the department.

The project would also provide for bus shoulders and high-occupancy vehicle by-passes on the entrance ramps. In addition, as the project is currently planned, it would reserve right-of-way for future expansion if necessary.

Steve Elkins, Bloomington City Council member, said congestion along I-494 is the single most important quality of life issue in his area, as traffic spills over onto the local streets. He said that the communities along the road have been making their own commitments to expanding the road by acquiring right of way.

The project is not currently in the Transportation Department's 10-year development plan. However, it is planned for an unnamed date during the next 20 years.

Thissen noted that other projects in the 10-year plan, such as expansion of U.S. Highway 212, would increase congestion on I-494, and the committee should consider increasing the capacity of the interstate at the same time as the highway.

The bill currently has no Senate companion.

MAC oversight

The unelected body overseeing the Minneapolis-St.Paul International Airport and six regional airports throughout the Twin Cities metropolitan area would have to answer to a legislative committee on a routine basis, under a bill approved on a split vote April 1 by the House Local Government and Metropolitan Affairs Committee.

HF883, sponsored by Rep. Tim Wilkin (R-Eagan), contains provisions recommended in an audit of the Metropolitan Airports Commission issued earlier this year by the Office of the Legislative Auditor. Wilkin said the commission fared well in the audit, but that legislative oversight was recommended.

The governor appoints 13 of the commission's 15 members. The mayor of Minneapolis and the mayor of St. Paul are each allowed to make one appointment.

None of the appointments is subject to legislative confirmation. Commission decisions do not require approval by elected officials, and in recent years the governor has had little contact with the commission, according to the audit.

Under HF883, the Legislative Commission on Metropolitan Affairs would review the commission's proposed operating budgets, work programs, and capital improvement programs. The legislative commission is comprised of senators and representatives.

Airports commission chair Vicki Grunseth said she wouldn't fight the bill's provisions. However, she said, the commission currently reports various components of its business to four separate legislative committees, as well as the Metropolitan Council.

"I guess I just don't have a high level of confidence with the Metropolitan Council over the years," said Wilkin, explaining the legislative commission oversight provision.

An amendment was successfully offered by Rep. Mark Buesgens (R-Jordan) to no longer allow the mayors of Minneapolis and St. Paul to appoint members to the airport commission. The vote was 11-7.

Buesgens said current law dictating where gubernatorial appointees must reside already allows for representation of Minneapolis and St. Paul. Allowing the two mayors to each make appointments leads to over-representation on a body overseeing a statewide asset. Several metropolitan area legislators disagreed, stating that airport noise and traffic affect their communities more than others.

Also under the bill, the governor's commission chair appointment would be subject to Senate confirmation.

A companion bill (SF602), sponsored by Sen. Ann Rest (DFL-New Hope), was approved by the Senate State and Local Government Operations Committee and awaits further action.

MILITARY

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Pay differential

The House passed a bill March 31 that would give state and local government employees in the military reserves a salary differential payment when called to active duty.

HF294, sponsored by Rep. Rob Eastlund (R-Isanti), would require a state employer to pay any net amount of salary lost to an employee if called to service.

As amended on the floor, the bill would apply to salary differential for active service on or after the date of final enactment. The bill previously would have been retroactive to Sept. 11, 2001. With budget concerns looming, Eastlund explained that state agencies might not be able to handle the costs if the bill were retroactive.

During committee testimony, Col. Dennis Lord, executive director of the Minnesota National Guard, explained that lower ranking soldiers are paid less by the military than most civilian jobs. Because of the salary difference, some soldiers are suffering great financial hardship in serving the country for periods of time ranging 12 to 24 months.

Minnesota has about 18,000 reservists, 500 of whom are state employees. Of those employees, he said many are of higher rank in the military so the salary differential wouldn't apply to them. But for the lower ranking soldiers paid less, the bill would help them significantly, he said.

Eastlund told members a yes vote on the bill would set aside differences on the war, and "support the people who are over there providing the freedoms we enjoy here." HF294 passed 132-0.

A Senate companion (SF117), sponsored by Sen. Don Betzold (DFL-Fridley) awaits action in a Senate committee.

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RECREATION



Off-highway vehicle trails

A recent legislative auditor's report determined that efforts by the Department of Natural Resources (DNR) to develop a formal trail system for off-highway vehicles, such as all-terrain vehicles, dirt bikes, and 4X4 trucks, have been inadequate.

A bill that aims to break what off-highway vehicle enthusiasts describe as "institutional inertia" and get more designated trails in state forests was approved by the House Environment and Natural Resources Policy Committee March 27.

Sponsored by Rep. Tom Hackbarth (R-Cedar), the committee chair, the bill (HF1077) would exempt state forest motorized trails from the environmental review process for three years. Under the bill, most state forest trails would be designated for motorized recreational vehicle use by 2006.

Other provisions of the bill would require all off-highway vehicles to be registered with the state and allow registration fees to be directed toward local law enforcement agencies for enforcement and public education expenditures. Currently, vehicles used on private lands and racing vehicles are exempt from registration. Qualified clubs would also be eligible for safety and conservation education grant money.

And the bill would establish an adopt-a-trail program to encourage individuals and businesses to provide voluntary trail maintenance and monitoring in state forests.

The environmental review exemptions are "brought to you and born out of our total frustration at getting designated trails on the ground," said Ray Bohn, a lobbyist for the All-Terrain Vehicle Association of Minnesota. "We've been stymied literally the last three or four years by people using the environmental process to stop trails."

Bohn said the bill would create a disincentive for people with environmental concerns to sue because the process would be slowed and then the trails would open automatically. "It's like we have no alternative at this point," he said.

Opponents argued the bill ignores recommendations from the legislative auditor and a motorized trail task force convened by the 2002 Legislature consisting of both off-highway vehicle users and non-motorized forest interests.

"The bill would let the DNR grandfather in and designate any and all of the existing 7,000 miles of unplanned trails — the same unplanned trails that have caused so much environmental damage and public outcry — with no environmental review," according to the Minnesota Center for Environmental Advocacy (MCEA).

"It is an environmental nightmare and a lawyer's dream," said Matt Norton, MCEA forestry advocate. "Minnesotans will be looking at damage after the fact and running to the courts."

The bill now moves to the House Environment and Natural Resources Finance Committee.

The Senate Environment and Natural Resources Committee has reviewed a number of off-highway vehicle bills, including a Senate companion to HF1077 (SF965), sponsored by Sen. LeRoy Stumpf (DFL-Thief River Falls), but has not yet approved any of the measures.

Youth referees

A bill that would allow youths between ages 11 and 14 to work as sports officials without filing for a child labor law exemption was approved by the House March 27.

Sponsored by Rep. Lynn Wardlow (R-Eagan), HF446 passed 128-0 without questions from or debate by representatives.

Under current law, no child younger than 14 may be employed, save for as an actor or model, newspaper carrier, or in the agricultural field. Exemptions are allowed by the state Department of Labor and Industry on an individual basis, which has been done routinely for youth sports officials working at youth sports events, Wardlow said.

About 2,000 exemptions are processed by the state each year for youth sports officials. Eliminating the exemption filing "will save the department time and money," Wardlow said.

The department and numerous Minnesota youth soccer and hockey organizations supported the bill.

"With the growth of hockey within Minnesota the local organizations rely on this age level to officiate for their younger games," said Bill Leslie, chief referee for Minnkota Hockey, a division of USA Hockey.

The bill's Senate companion (SF745), sponsored by Sen. Linda Higgins (DFL-Mpls), awaits action on the Senate floor.

SAFETY

Handling hazardous material

In response to increased worries about domestic terror attacks, a bill approved by the House Judiciary Policy and Finance Committee April 1 would expand the authority of hazardous materials teams in Minnesota.

Under HF1066, sponsored by Rep. Kurt Zellers (R-Maple Grove), chemical assessment teams would be authorized to deal directly with the hazardous materials they encounter.

Those teams are currently limited to assessment and defensive duties related to protecting the surrounding area. They call in emergency response teams to deal directly with the chemical threat.

State Emergency Management Director Jerry Rosendahl said the potential for long response times from the emergency response teams makes it essential for the chemical assessment teams to be able to take "aggressive proactive action towards the material involved."

Rosendahl said chemical assessment teams have the same training and expertise in handling hazardous materials as emergency response teams.

The bill would also expand the definition of hazardous material to substances intentionally released in connection with a criminal or terrorist act. Current statutes limit the definition to only accidentally released materials. The types of substances included in the definition would also expand to include chemical and biological substances and toxic gasses, in addition to the explosive, corrosive, radioactive, and combustible substances already included.

At the request of the Minnesota Professional Fire Fighters organization, Zellers successfully offered an amendment removing a section of the bill that would eliminate the commissioner of public safety's obligation to implement a statewide hazardous materials incidence response plan.

The bill now goes before the full House.

A Senate companion bill (SF941), sponsored by Sen. Dan Sparks (DFL-Austin), awaits a committee hearing.

Survivor benefits

When Minneapolis Police Officer Melissa Schmidt was killed in the line of duty last August, her family did not qualify to receive money from the state's public safety officer's benefit account.

Under state law, when a Minnesota police officer or firefighter is killed in the line of duty, the state must pay the surviving family \$100,000. The law specifies that money must go to a spouse, any dependant children, or dependant parents. If none of those family members exist, the state will not make a payment.

Schmidt's parents and fellow Minneapolis police officials would like to see a change in the law.

Minneapolis Police Cpl. Lyall Delaney told members of the House Judiciary Policy and Finance Committee April 1 that Schmidt's family would like to start a scholarship fund in her name, using the state benefit money.

The committee approved a bill (HF7), sponsored by committee chair Rep. Steve Smith (R-Mound), which would allow that to hap-

pen in Schmidt's case and any future cases.

The bill specifies that if there is no surviving spouse, dependant children, or dependant parents, the state would pay the money to the officer's estate. The effects of the bill would be retroactive to July 2002, in order to assure payment to Schmidt's family.

The bill next goes to the House Ways and Means Committee. A Senate companion bill (SF189), sponsored by Sen. Lawrence Pogemiller (DFL-Mpls), has been approved by two committees and awaits action by the Senate Finance Committee.

TRANSPORTATION

\star

Governor's transportation proposal

Members of the House Transportation Finance Committee heard a presentation from Lt. Gov. Carol Molnau April 2 regarding the Pawlenty administration's proposal for transportation bonding.

The proposal is included in a bill (HF4), sponsored by Rep. Andrew Westerberg (R-Blaine). It provides for \$550 million in trunk highway bonding proceeds for accelerated construction of road projects within the state Department of Transportation's 10-year plan.

In addition, the bonding funds would leverage up to \$550 million through 2009 in advance construction funding authorized by the federal government.

Of the appropriation, \$50 million could be used for transit-related capital improvements to highways, under the bill. It would also authorize the department to spend up to \$5 million in federal funds through 2008 for capital investments for Greater Minnesota transit systems.

In order to finance the additional bonding, Molnau said, the department reduced expenditures by \$84 million for the 2004-05 biennium.

The greatest share of the savings (39 percent) comes from proposed reductions to administration and overhead in the department. Next, at 24 percent, are reductions to information technology-related spending in the department. Other areas facing proposed reductions include road maintenance, reducing assigned vehicles to employees, research, snow and ice removal, rest areas, road striping, and landscaping, according to documents provided by the department.

The key to the plan, Westerberg said, is that it's a beginning to help solve the congestion problems in the state. He said that due to the budget constraints, now is not the time to consider long-term options such as increasing the gas tax, tab fees, and other local taxing options.

"This can all be done without raising taxes to Minnesotans," he said of the governor's



Lt. Gov. and Transportation Commissioner Carol Molnau answers a question during a April 2 hearing of the House Transportation Finance Committee. The committee was hearing a bill that would appropriate money and issue bonds for trunk highway improvements.

plan.

Rep. Ron Erhardt (R-Edina) asked Westerberg why the Legislature shouldn't consider those options.

"There's no future in this," Erhardt said of the bill. "All this is doing is piddling away and taking little bites out of it."

Molnau responded that raising the gas tax is not in itself a solution to future funding options.

"It's not going to be the workhorse that it used to be," she said.

The committee will consider the bill for its omnibus finance plan. An amendment was accepted by the committee to split the bonding proceeds between projects in the Twin Cities metropolitan area and Greater Minnesota.

The Senate companion (SF288), sponsored by Sen. Mark Ourada (R-Buffalo), awaits action in a Senate committee.

License fee revenue

A bill that would increase license tab fees to raise additional revenue for transportation projects was considered by the House Transportation Finance Committee April 2, though the committee did not make a decision regarding its future.

HF1372, sponsored by Rep. Michael Beard (R-Shakopee), will be discussed further the week of April 7 and then considered for possible inclusion in the committee's omnibus finance bill.

In 2000 as part of a budget compromise, Gov. Jesse Ventura chose to reduce license tab and registration fees. Currently, the tax is based on its full value the first year of a vehicle's life. It shall not exceed \$189 in the next year, and is limited to \$99 in each of the following years.

The bill would raise those limits to \$200 in the second year of a vehicle's life, \$175 in the third year, \$125 in the fourth, and would maintain the \$99 limit for the fifth and subsequent years of the vehicle.

In addition, the bill would reduce the percentage of motor vehicle sales taxes dedicated to the highway user tax distribution fund from the current level of 32 percent to 27.46 percent. It also proposes that a constitutional amendment be placed on the 2004 general election ballot to dedicate 100 percent of motor vehicle sales taxes for highway and public transit purposes, beginning in fiscal year 2008.

If voters pass such an amendment, three things would happen: vehicle license tab fees would revert to 2003 levels, 32 percent of the motor vehicle sales tax would be dedicated to the highway user tax distribution fund, and the rest of the sales tax revenue would be used for transit property tax replacement, transit assistance in the Twin Cities metropolitan area and Greater Minnesota, and to major trunk highway projects.

Motor vehicle sales taxes are currently distributed as follows:

- 32 percent to the highway user tax distribution fund,
- 20.5 percent to the metropolitan area transit fund.
- 1.25 percent to the Greater Minnesota transit fund, and
- 46.25 percent to the general fund.

In addition, a metropolitan area transit appropriation account is set to begin in 2004, reducing the contribution to the general fund by 2 percent.

According to the bill, the additional revenue would be available to help fund the \$1.5 billion in trunk highway bonds authorized from 2004 to 2010.

Beard said that the bill builds on Gov. Tim Pawlenty's plan that provides for additional bonding to support transportation projects. He said it also attempts to address the long-term concerns of additional funding streams for transportation, without raising the gas tax, which the governor has said he doesn't support.

David Olson, president of the Minnesota Chamber of Commerce speaking on behalf of the Minnesota Transportation Coalition, said the coalition has supported a gas tax in the past, but with the political realities this year, they think HF1372 is a reasonable solution.

"We're frustrated that a bill hasn't passed for a number of years," he said. "We're interested in getting something passed."

The bill's Senate companion (SF1372), sponsored by Sen. Dean Johnson (DFL-Willmar), awaits committee action.

Upgrading Highway 14

Owatonna resident Linda Maher blames U.S. Highway 14 for nearly taking her life.

Two years ago, she was on her way to work in Waseca when a truck crossed the median and hit her head-on in the height of rush hour. Her left lung collapsed, her pelvis was broken in two places, her left elbow was shattered, her left shoulder was in pieces, and her left arm was significantly damaged. After six months of surgeries, rehabilitation, and a stay in a nursing home, she returned to work, but would require additional surgery later to adjust some of the pins in her arm.

She receives a daily reminder of the accident when she passes the spot on her way to work. She testified before the House Transportation Finance Committee April 1 to implore members to fund improvements to the road, which is notable for a high occurrence of fatal accidents.

A bill that would provide \$164.6 million for improvements to Highway 14 that crosses southern Minnesota will be considered for possible inclusion in an omnibus transportation finance package to be compiled by the committee.

HF1324, sponsored by Rep. Connie Ruth (R-Owatonna), calls for the reconstruction and improvement of Highway 14 from its intersection with state Highway 60 near Eagle Lake in Blue Earth County, just east of Mankato, to the highway's intersection with Interstate 35 on the south edge of Owatonna.

Officials from cities along the road testified in favor of the proposal, saying they are concerned about the safety of motorists and for economic development reasons. The road is a significant link for commerce in the area, said Waseca Mayor Tom Hagen, even though the proposal would redirect the road away from downtown Waseca. He noted that the road cannot accommodate the large trucks that use the roads, it carries more cars than it was intended to, and the conditions of the road make the 55 miles per hour speeds dangerous.

According to a brochure provided to the committee about the proposed improvements, the project is slated for construction through 2014. If funding were granted for the entire project, it could be completed by 2009.

The bill currently has no Senate companion.



Second time's a charm

After losing in the general election, Otto replaces her initial opponent in the House of Representatives

By Patty Janovec

Rep. Rebecca Otto (DFL-Marine on St. Croix) campaigned for six months last year only to lose her bid for the District 52B House



Rep. Rebecca Otto

seat.

However, any disappointment was erased three months later when she won the seat in a Feb. 11 special election, which was needed after former Rep. Mark Holsten (R-Stillwater) was named deputy commissioner for the

Department of Natural Resources.

Most people agree that a democracy is about healthy debate, explained Otto, something that she says many people believed had been lost on a state and national level after the 2002 campaigns. "People, including a lot of Republicans, staunch Republicans who would have never voted for a Democrat, were passionate about getting me elected because they felt there was no balance left," she said.

Otto said she hopes to improve that balance and focus on issues rather than partisanism.

"A lot of people say 'I don't belong to a party, I look at the individual' and I think they are savvy enough to make their own decisions," Otto said.

As for the additional three weeks of special election campaigning, Otto said, "It felt really good, it was really nice, I worked hard." Telephoning people and walking the neighborhoods allowed constituents to ask her questions, she said. "I think the personal contact was very important, people really appreciated it, and they could ask me whatever they wanted to." She defeated her closest challenger in the special election by 10.8 percent of the vote.

Otto and her husband, Shawn, have been small business owners in property management for several years. She moved away from the business to become a seventh grade life and environmental science teacher. After five years she stopped teaching to stay home with their son, and she quickly got involved with the parent-teacher board and volunteering in the classroom.

That's how she began her pursuit of public office.

She ran a successful campaign for her local school board. She also said she chaired the local levy referendum campaign while running for the board. That experience helped her recognize a "lack of communication and trust between the community and this district," she said.

cared about education," she said. The other top concern is the environment. Otto said the St. Croix Valley area is one of the most beautiful in the state with lakes, trout streams, and the river. Property taxes were also a concern for her constituents, because of the small tax base, she explained.

Passionate about the environment, Otto and her husband built a renewable energy home. A wind generator provides 80 percent of the home's power, and has been featured in local and national publications. She said they've "saved a lot of money and it was a great investment." They use the home to educate people around the state and from other countries by letting them tour the house.

Otto admits that her schedule is a busy one as she serves on four House committees: Agriculture and Rural Development Finance, Agriculture Policy, Environment and Natural Resources Policy, and Local Government and Metropolitan Affairs. "I certainly want to do

"Sometimes when the public institutions are in the worst shape and have the biggest problems, people need to be creative, and step forward and work on it."

- Rep. Rebecca Otto

Lynn Steenblock, superintendent for the Forest Lake Area School District, describes Otto as "an individual who cares about all children." In working with Otto as she ran for the school board, Steenblock said Otto's love for children was clearly apparent. He says she has concerns with the quality of education and "wants the same things for all children in Minnesota."

Those very same instincts that nudged her to become active in the school district, are the same skills "that have brought me to this point in my life," said Otto.

A graduate of Macalester College, she said she was inspired to run by a quote from Kofi Annan, the secretary-general of the United Nations. She paraphrased him, saying, "Sometimes when the public institutions are in the worst shape and have the biggest problems, people need to be creative, and step forward and work on it." Otto said, "I feel like I'm walking into a really tough situation, and there's a lot of hard decisions."

Two distinct concerns became apparent during the campaign, she said. First, "people really

my share," she admits. Otto said that House Speaker Steve Sviggum (R-Kenyon) said he assigned her to the agriculture committees because her family owns a hobby farm, complete with horses and her family bails their own hay.

Otto doesn't mind the fast pace that comes with being a legislator, saying she has the perfect job. "I love to learn, I learn a lot everyday."

DISTRICT 52B

2002 population: 36,813 Largest city: Stillwater County: Washington

Location: eastern Twin

Cities

metropolitan area

Top Concern: "Education drives everything. It's one of the soundest economic investments we can make as a state. It determines our future."

— Rep. Rebecca Otto



A tall order

From paramedic to politician, Powell fills seat formerly represented by two top state officials: Ken Wolf and Dan McElroy

By Patty Janovec

Residents in District 40A went from having two representatives in the past year, to one, and then none shortly after the calendar turned to



Rep. Duke Powell

Last year's redistricting plans put a pair of former representatives, Ken Wolf and Dan McElroy, into the same district, but Wolf then chose not to seek reelection when he was named to a top position

in the state Commerce Department. McElroy won the seat in November, but resigned Jan. 6 to become the state's finance commissioner.

"I decided on pretty short notice that I would run for this seat," said Rep. Duke Powell (R-Burnsville). He and his wife, Julie, have three children.

A paramedic in the Twin Cities metropolitan area since 1980, Powell's been a Burnsville resident and health care activist for 30 years. He had worked as Wolf's campaign manager for years, and says the leap to running for legislator wasn't a big one. He's been involved over the years with policy, and was active with local and state Republican parties, he said.

Elected Feb. 3 and having to dive right into the process, Powell said, "I'm trying to keep up with the pace of the place." Laughing, he said, "I haven't dropped too many balls."

He said he's already hearing from his constituents regarding such issues as the bill that would change requirements for granting concealed weapons permits and a proposed wage freeze on public employees. Those who know him well say he's well-suited to handle those

Charles G. Erickson, a Republican activist and Burnsville resident for 25 years, worked on Powell's campaign and described him as having "a great savvy for politics." He said the representative "has a thorough understanding of what is needed in our district."

Powell said his constituents' main concern is solving the budget deficit. "That was the platform I ran on," he said.

What he is hearing from constituents is that they want the budget problem solved "without raising taxes," he said. "The tax climate has been fairly poisonous."

As an example, he said that the biggest employer in his district recently moved 1,000 jobs out of state because "we're not competitive." Other states neighboring Minnesota, including South Dakota, are in the position to advertise that they have a more friendly business climate, he described. He said he'd like Minnesota to be able to be in that position, but Health and Human Services Policy, Judiciary Policy and Finance, and Regulated Industries. "Whatever impact I can make there to cut spending and (ensure) the core services are funded is something I will be working on," said

He explained that the committee assignments fit his experiences well. For one, he worked closely with Wolf, whose interests as a legislator involved the topics under the jurisdiction of the House Regulated Industries Committee. As a paramedic, he said he has firsthand knowledge of the issues affecting the health care field. That job also gives him a firsthand perspective on the issues of public safety, he said, which are covered by the House Judiciary Policy and Finance Committee.

Like many freshman legislators, Powell is slowly learning the ropes.

He joked about his early days as a House member. "How am I going to be able to find my office, which turn do I make when I come out of the elevator... although I'm getting

"We have a city that's largely made up of people who commute out of the city to other suburbs and inner cities. ... If we're able to move goods and services around in a more efficient manner" (that could also help the economy).

- Rep. Duke Powell

can't. "We can't do that now," he said. "We're just scrambling to hold onto what we've got."

Powell also explained that the state can "grow revenues by strengthening the economy." There are a lot of things that government does that gets in the way of businesses conducting commerce, he said.

Also important to the district are transportation issues.

"We have a city that's largely made up of people who commute out of the city to other suburbs and inner cities," he said. The district houses a large manufacturing base, and he said the interest is in building higher capacity roads and making better use of transit. "If we're able to move goods and services around in a more efficient manner" that could also help the economy, Powell said. He explained that it "shouldn't be done through taxes, it should be done through production."

He serves on three House committees:

better at it," he said. Sometimes he says he has to wonder if he was able to get anything done in a day because of the fast-moving pace of legislative activity. "I can't believe how quickly the day goes, suddenly I haven't eaten all day and it's 6 o'clock."

DISTRICT 40A

2002 population: 36,882 Largest city: Burnsville Counties: Dakota, Scott

Location: southern Twin Cities metropolitan area

Top concern: "The economy, take care of the budget deficit, and grow revenues by strengthening the economy. There's a lot of things that government does that gets in the way of businesses conducting commerce."

- Rep. Duke Powell



Out front

As newest member of the House, Zellers moves from behind the scenes advisor to role as decision maker

By Patty Janovec

Becoming a state representative means that Rep. Kurt Zellers (R-Maple Grove) still has the same drive to work each day. It's just that his

office has changed.



Rep. Kurt Zellers

Zellers, who was the director of public affairs for House Speaker Steve Sviggum (R-Kenyon), is the newest member of the Minnesota House of Representatives.

Zellers earned that seat when he won a Feb. 25

special election in District 32B. He replaces former Rep. Rich Stanek, who was named the state's public safety commissioner in January. Zellers calls himself a seasoned political activist.

In addition to working with Sviggum, Zellers has worked with former U.S. Sen. Rod Grams, and current U.S. Sen. Norm Coleman. If there's one thing he's learned, he said, it's "that everything you do or have experience with, affects every single person (in Minnesota). I think that's one thing people miss about politics, that's why it gets a bad rap."

His grandmother encouraged him "to be a contributor to your community...bring something back or do something good for those around you." As a child growing up in Devil's Lake, N.D., Zellers said his grandmother encouraged him to read all the time. "When I was in fifth or sixth grade, I read biographies on the former presidents Lincoln, Washington, Jefferson. Those were the big ones," he said.

He said she didn't expect him to devise the next great widget or car, but to be a good person. In his teens, Zellers took the advice to heart, in part, as a student-coach for sports in high school and college. While at the University of North Dakota, he helped another student successfully run for the state legislature, beating an incumbent of six years.

Family continues to direct his path.

When his younger brother died at age 17 from a congenital heart defect nearly two years

ago, Zellers said he realized all of the things he would get to see in life that his brother wouldn't. "I promised myself that if any opportunity ever came along, that I wouldn't be afraid of it, too lazy to do it, or make an excuse," he said. "I would never live with an 'what if' or 'but' ever again."

That was especially true when the opportunity to seek a legislative seat arose. Zellers, who had been working for Coleman, chose not to follow the senator to Washington D.C., instead taking a job with the House Republican caucus. Additionally, Zellers said he was trying to settle down after tying the knot with wife Kim in December.

He serves on three House committees: Capital Investment, Taxes, and Education Policy.

Education was one of the key issues he talked about during his campaign. "My wife is a public school teacher along with a few cousins," said Zellers, who is one semester of college away from being able to teach. He also said he requested a seat on the House Capital Investment Committee because it will possibly be addressing transportation bonding this year, a big issue in his district.

As for the projected budget deficit legislators must answer within the next seven weeks, Zellers added he doesn't think "people realize how many different ways their state, local, and federal government touch their lives every single day. I mean that from a law, a service, from a provider standpoint." He explained that now is the time for state government to "define how it is that we deliver services." Whether it's the arts, the historical society, or paving the roads to make sure people get to work to keep jobs coming in, he said, "Now is a tremendous

"I promised myself that if any opportunity ever came along, that I wouldn't be afraid of it, too lazy to do it, or make an excuse. I would never live with an 'what if' or 'but' ever again."

- Rep. Kurt Zellers

Sviggum describes the new representative as a "very outgoing, personable, caring individual."

Those traits were necessary as Zellers did a lot of door knocking during the campaign. He said residents told him they are concerned about making sure they have transportation options to get to and from the urban areas for their jobs, but that they enjoy having all the other services they need right in their local community. "We've got everything we need here, and we love it," he said of their comments. "Don't change anything." He describes the district as "relatively safe" and said the people don't want their taxes raised. School equity is an issue, as well as transportation.

Like his predecessor, Zellers says, "public safety is a big priority." One of the first bills he sponsored, HF1066, would give locally based chemical assessment teams more authority to address situations such as chemical spills, in the same manner as statewide emergency response teams. Under current law only certain functions may be performed by emergency teams.

opportunity."

There are areas where the state isn't going to be able to be as generous as it has been in the past, he said. Additionally, he said the focus should be on practicality, focusing on the state's needs rather than merely its wants.

DISTRICT 32B

2002 population: 36,525 **Largest city**: Maple Grove

County: Hennepin

Location: northwest Twin Cities metropolitan area

Top concern: "Balancing the budget without raising taxes. With the time I spent with the federal government and the time I've spent down here, it's fairly obvious there's always room for improvement. We're spending more money. There are some areas where we aren't going to be able to be as generous as we have been in the past."

- Rep. Kurt Zellers



Monday, March 31

HF1302—Lipman (R) Governmental Operations & Veterans Affairs Policy

Corporate political contribution law administration provided, activities permitted expanded, penalties modified, and labor organizations required to notify employees of political use of funds.

HF1303—Knoblach (R) Transportation Policy Cartway required where landowner's access is limited to navigable waterway.

HF1304—Penas (R)
Transportation Finance
Local road improvement fund bonds
issued, and money appropriated.

HF1305—Kuisle (R)
Environment & Natural
Resources Policy
Wetland replacement requirements
for public transportation projects
modified.

HF1306—Westrom (R) Civil Law

Breath alcohol testing devices in liquor establishments immunity from liability provisions modified.

HF1307—Westrom (R)
Judiciary Policy & Finance
Corrections commissioner authorized to contract with private agencies, and requests for proposals relating to privatizing state prison system required.

HF1308—Hornstein (DFL) Health & Human Services Finance Cemetery markers funding provided for regional treatment centers, and money appropriated.

HF1309—Abeler (R)
Education Finance
Minnesota economic opportunity
grants provided, and money
appropriated.

HF1310—Thissen (DFL) Education Finance Independent School District No. 280, Richfield, airport runway impact zone aid program implementation delayed.

HF1311—Erickson (R) Education Policy School districts authorized to not comply with mandates unless revenue to comply is identified. HF1312—Mullery (DFL)
Judiciary Policy and Finance
Predatory offender law; level III offenders residence locations limited.

HF1313—Murphy (DFL) Governmental Operations & Veterans Affairs Policy Minnesota State Colleges and Universities early separation incentive program authorized.

HF1314—Murphy (DFL)
Governmental Operations &
Veterans Affairs Policy
Minnesota State Colleges and Universities individual retirement account plan included in the combined service annuity portability provision.

HF1315—Murphy (DFL)
Governmental Operations &
Veterans Affairs Policy
Minnesota State Colleges and Universities individual retirement account plan revision in prior retirement benefit coverage elections permitted.

HF1316—Abeler (R) Health & Human Services Policy Long-term care family loan program pilot project established, bonds issued, and sunset provided.

HF1317—Hornstein (DFL) Governmental Operations & Veterans Affairs Policy Governor's Residence Council existence extended.

HF1318—Greiling (DFL) Education Finance Cooperative community education levy authorized for jointly operated recreational or senior citizens programs.

HF1319—Smith (R)
Transportation Policy
American classic car licensing and registration provided.

HF1320—Smith (R) Judiciary Policy & Finance Lifetime firearms possession prohibition imposed for convicted violent felons, restoration provided, and technical changes made to the definition of crime of violence.

HF1321—Howes (R)
Commerce, Jobs &
Economic Development Policy
Cigarette manufacturers and retailers trade practices regulated.

HF1322—Rhodes (R)
Governmental Operations &
Veterans Affairs Policy
Campaign finance terms clar

Campaign finance terms clarified, reporting requirements modified, additional civil penalties provided, and obsolete rules repealed.

HF1323—Seifert (R) Governmental Operations & Veterans Affairs Policy State Board of Investment stocks in corporations doing business in France disposed of upon determination of international weapons sale violations.

HF1324—Ruth (R)
Transportation Finance
Trunk Highway 14 between Eagle
Lake and Owatonna reconstruction
funding provided, bonds issued, and
money appropriated.

HF1325—Erickson (R)
Environment & Natural
Resources Finance
Digital elevation and flood plain management mapping pilot project funding provided, and money appropriated.

HF1326—Latz (DFL)
Civil Law
Civil actions against the state in federal court provisions clarified.

HF1327—Wagenius (DFL)
Environment & Natural
Resources Policy
Mercury emissions from electric generating facilities capped, emissions increase prohibited, and reduction of emissions in the future required.

HF1328—Wagenius (DFL) Taxes Individual sewage treatment system improvements property tax valuation exclusion provided.

HF1329—Ozment (R)
Governmental Operations &
Veterans Affairs Policy
State lottery annual reports required
on maximizing revenues to the environmental trust fund.

HF1330—Westerberg (R) Regulated Industries Liquor retailer payment delinquency posting requirement modified.

HF1331—Wagenius (DFL) Regulated Industries Emergency 911 telephone service fee increased to fund the third phase of the public safety radio communications system, bonds authorized, and money appropriated. HF1332—Abeler (R) Health & Human Services Policy Social work licenses and fees regulated.

HF1333—Westrom (R)
Agriculture & Rural
Development Finance
Small wind energy conversion system ownership and location requirements clarified relating to the renewable energy production incentive, incentive funding provided from electric utility assessment, and megawatts limit increased.

HF1334—Smith (R) Governmental Operations & Veterans Affairs Policy Minneapolis firefighters relief association refund of member contributions provided upon death.

HF1335—Thao (DFL) Governmental Operations & Veterans Affairs Policy Hmong veterans of the war in Laos during the Vietnam War commemorative statue provided.

HF1336—Seagren (R) Education Policy Qualified teachers and paraprofessionals requirements established.

HF1337—Marquart (DFL)
Agriculture & Rural
Development Finance
Farm wrap network and rural help
network grants provided, and money
appropriated.

HF1338—Penas (R) Education Policy Teaching license rules required granting a license to chemistry, physics,

ing a license to chemistry, physics, and biology teachers, and science teachers with continuing license allowed to be certified to teach other subjects after qualifying.

HF1339—Erickson (R) Education Policy

Parental access to statewide education assessment tests codified, and annual release of increasingly greater portions of statewide tests required.

HF1340—Howes (R) Taxes

Homestead classification provided for certain resorts owned by a limited liability company.

HF1341—Rhodes (R) Taxes

Tax petition dismissal 60-day rule modified.

HF1342—Clark (DFL) Judiciary Policy & Finance Prostitution data collection and reporting required, and penalty assessments appropriated to commissioner of public safety.

HF1343—Powell (R) **Governmental Operations & Veterans Affairs Policy**

Teacher retirement association service credit purchase authorized for a specified former employee of Independent School District No. 191, Burnsville-Eagan-Savage.

HF1344—Vandeveer (R) **Transportation Policy**

License plates; special veteran contribution license plates authorized for motorcycles.

HF1345—Klinzing (R) **Local Government &** Metropolitan Affairs

Lieutenant governor added to the membership of the Legislative Commission on Metropolitan Government, and legislative approval required for Metropolitan Council operating levies.

HF1346—Goodwin (DFL)

Education Finance

Enrollment options compensatory revenue established allowing compensatory revenue amounts to follow a student to a nonresident school district, and money appropriated.

HF1347—Hoppe (R) **Environment & Natural**

Resources Finance State park fund established, state park

management and operations provisions established, self-sufficiency required of certain state parks and recreation areas, and money appropriated.

HF1348—Hoppe (R) **Education Finance**

School district financial reporting dates adjusted, notification process created for operating referenda and debt elections, and school district elections for obligations regulated.

HF1349—Paymar (DFL) Health & Human Services Policy Tobacco use prohibited in certain public treatment institutions.

HF1350—Smith (R) **Education Finance** Independent School District No. 277, Westonka, permanent fund transfer authorized.

HF1351—DeLaForest (R) **Education Policy** Charter school requirements modified.

HF1352—Wagenius (DFL) **Environment & Natural** Resources Policy

Water quality testing compliance provided, and money appropriated.

HF1353—Clark (DFL) **Education Policy**

Limited English proficiency students enrolled in a Minnesota school district for three or fewer school years allowed to complete alternative English assessment and to complete other assessments in the student's primary language.

HF1354—Fuller (R) **Judiciary Policy & Finance** Probation sanctions conference procedure established, and forms and procedures required.

HF1355—Anderson, B. (R) **Governmental Operations &** Veterans Affairs Policy Campaign signs permitted in highway rights-of-way in state general

HF1356—Anderson, B. (R) **Transportation Finance** Trunk highway corridor-protection revolving loan account established, and money appropriated.

HF1357—Koenen (DFL) **Environment & Natural Resources Policy**

election year.

Bird Island temporary exception to sewer extension permit requirements authorized.

HF1358—Mullery (DFL) **Environment & Natural** Resources Policy

Game and fish licensing agents prohibited from charging a fee on specified

HF1359—Anderson, B. (R) Local Government & Metropolitan Affairs Buffalo; Highway 55 reconstruction

and upgrading city bonds authorized.

HF1360-Walz (R) Judiciary Policy & Finance State agencies and local government prohibited from spending money on CriMNet until reviews are complete and a risk response plan is imple-

mented, and financial audit of CriMNet required. HF1361—Finstad (R) Health & Human Services Finance

County human services initiatives

HF1362—Anderson, B. (R)

Taxes

implemented.

Clearwater sales tax authorized to fund a regional community and recreation center.

HF1363—Adolphson (R) **Education Finance**

Bus transportation required for students living more than one mile from school, and school boards authorized to charge fee to all students riding buses.

HF1364—Kielkucki (R) **Transportation Policy** Community identification signs distance provision modified.

HF1365-Nelson, P. (R) **Transportation Policy** Government agencies authorized to act as commercial driver training schools.

HF1366—Beard (R) Judiciary Policy & Finance Court revenue disposition provided after state takeover, and state aid loss to court administration costs prorating required.

HF1367—Ozment (R) **Environment & Natural Resources Policy**

Aquatic plant management funding provided, watercraft surcharge increased, apportionment of gasoline fuel tax for motorboats modified, and money appropriated.

HF1368—Clark (DFL) Commerce, Jobs &

Economic Development Policy Minnesota Housing Finance Agency advisory consultation with urban Indian organizations required.

HF1369—Clark (DFL)

Health & Human Services Policy Health and human services commissioner consultation with urban Indian organizations required.

HF1370—Knoblach (R) Ways & Means

Revenue targets and departmental earnings reports legislative submission dates modified.

HF1371—Eken (DFL) State Government Finance Rural-urban migration impact study required for certain budget proposals.

HF1372—Beard (R) **Transportation Finance**

Major highway projects account established, maximum license taxes on automobiles increased, trunk highway fund budget base reduced, motor vehicle sales tax dedicated, bonds issued, money appropriated, and constitutional amendment proposed.

HF1373—Rhodes (R) Local Government & Metropolitan Affairs Metropolitan Radio Board expiration date extended.

HF1374—Urdahl (R) **Agriculture Policy**

Agriculture Department headquarters named the Orville L. Freeman building.

HF1375—Klinzing (R) **Education Finance**

Equity revenue funding increased, and compensatory revenue limited to \$1,500 per pupil.

HF1376—Klinzing (R) **Education Finance** Alternative teacher compensation awards program funding increased, and money appropriated.

HF1377—Blaine (R) **Governmental Operations & Veterans Affairs Policy** Service credit purchase authorized for a specified corrections employee.

HF1378—Kuisle (R) **Education Finance** Regional library basic system support grants limitation removed.

HF1379—Kuisle (R) Taxes

Rental housing property tax valuation provided.

HF1380—Buesgens (R) Governmental Operations & **Veterans Affairs Policy** Public employment contracts financial parameters established.

HF1381—Smith (R) **Transportation Policy** Classic car license designation provisions modified.

HF1382—Davnie (DFL) **Governmental Operations & Veterans Affairs Policy**

Fair and clean elections act increasing campaign contribution disclosure, limiting contributions and expenditures, increasing public subsidies for candidates who agree to limit their contributions, and appropriating money.

Tuesday, April 1

HF1383—Boudreau (R) **Health & Human Services Policy** Radiation therapy facilities construction restricted to existing licensed hospitals.

HF1384—Powell (R)

Health & Human Services Policy Cremation definition modified to include alkaline hydrolysis process.

HF1385—Lenczewski (DFL) **Transportation Finance**

Metropolitan fiscal disparities program adjustment for operating subsidies of light rail transit system provided.

HF1386-Krinkie (R) **Governmental Operations & Veterans Affairs Policy**

Local public employees phased retirement and voluntary unpaid leave options provided.

HF1387—Kielkucki (R) **Education Policy**

Nonpublic school site preference given for instruction for children with a disability who attend the nonpublic school.

HF1388-Otto (DFL) **Transportation Finance**

Local road improvement funding provided, bonds issued, and money appropriated.

HF1389—Abeler (R)

Health & Human Services Policy Human services commissioner required to develop a plan to secure medical assistance for mental health services provided in out-of-home placement settings.

HF1390-Lindgren (R) Taxes

Park Rapids sales and use tax authorized and fund uses specified.

HF1391—Anderson, I. (DFL) **Regulated Industries** Electricity board executive secretary

HF1392—Vandeveer (R) **Local Government &** Metropolitan Affairs

appointed by the governor.

City charters allowed to prohibit members of the governing body of the city from serving on the charter commission.

HF1393—Magnus (R)

Lewis and Clark Rural Water System, Inc.; corporate status clarified for purposes of federal tax law.

HF1394—Fuller (R)

Judiciary Policy & Finance Methamphetamine labs; grant program established for cities to contain, clean up, and preserve evidence at clandestine meth labs; local match required; and money appropriated.

HF1395—Hausman (DFL) **Transportation Finance**

Motor vehicle registration tax depreciation schedule modified and maximum taxes removed, motor fuel taxes increased, highway funds distributed, one-half cent transportation sales tax imposed, bonds issued, and money appropriated.

HF1396—Smith (R) **Local Government &** Metropolitan Affairs

Municipal housing code reinspection special assessments authorized.

HF1397—Hilty (DFL)

Civil Law

Constitutional amendment proposing that all references to the word person mean natural person in the state constitution.

HF1398—Hilty (DFL)

Health & Human Services Policy Immunization requirements modified relating to conscientious beliefs, newborn medical records, and notice to child care providers.

HF1399—Lenczewski (DFL) **Governmental Operations & Veterans Affairs Policy**

Economic interest disclosure statement for public officials and candidates modified to include information regarding the individual and each immediate family member.

HF1400-Lieder (DFL) **Education Finance**

Independent School District No. 628. Plummer, permanent fund transfer authorized.

HF1401—Cox (R) **Environment & Natural** Resources Finance Phosphorous and other cleaning agents regulated.

HF1402—Hornstein (DFL) **Governmental Operations & Veterans Affairs Policy**

Minneapolis teachers retirement association refund repayment without interest authorized for a specified employee.

HF1403—Atkins (DFL) **Regulated Industries**

Power line construction prohibited in Sunfish Lake, Inver Grove Heights, Mendota Heights, and South St. Paul until environmental impact statements have been completed.

HF1404—Seagren (R) **Education Finance**

General education revenue obsolete language repealed.

HF1405—Huntley (DFL) **Environment & Natural** Resources Policy

Boundary Waters Canoe Area school trust land management options analysis required, and trust land disposal temporarily suspended.

HF1406—Howes (R) Local Government & Metropolitan Affairs

County commissioner vacancies filled by appointment until the next general election.

HF1407—Hornstein (DFL) Health & Human Services Policy Alcohol and drug counselor temporary practice requirements modified.

HF1408—Abrams (R)

Tax lien sales authorized.

HF1409—Blaine (R) Judiciary Policy & Finance

Privacy intrusions felony penalties imposed for repeat convictions, violations against a minor, and engaging in a pattern of conduct involving interference with privacy.

HF1410—Kelliher (DFL) **Regulated Industries**

Energy conversion grants to schools provided.

HF1411—Walker (DFL)

Health & Human Services Policy Universal health care system working group established; program requirements provided including focus on preventive care, early intervention, and elimination of bureaucratic costs; and plan required to be implemented by 2010.

HF1412—Hornstein (DFL) **Governmental Operations &** Veterans Affairs Policy

Teachers retirement association authorized to use a salary for pension purposes for a certain teacher who is in excess of actual earnings.

HF1413—Otto (DFL) **Education Policy**

Student instruction and staff development training three additional days mandate repealed.

Wednesday, April 2

HF1414—Beard (R) **Transportation Policy**

Highway rest area lease agreements authorized, lease funds deposited in special revenue fund, and money appropriated.

HF1415—Gerlach (R) **Governmental Operations & Veterans Affairs Policy**

State council, commission, advisory committee, and board expiration dates provided.

HF1416—Urdahl (R) **Transportation Policy**

Littering offense surcharge imposed for throwing cigarettes from a motor vehicle.

HF1417—Peterson (DFL)

Taxes

Camp fees tax exemption modified.

HF1418—Sviggum (R)

Health & Human Services Finance Polio patient hospital services reimbursement rate modified.

HF1419—Jaros (DFL)

Taxes

Income tax exemptions and deductions modified, rates adjusted, gasoline and fuel excise tax rates modified, sales taxes imposed on certain services, sales tax and motor vehicle sales tax reduced, and exemptions abolished.

HF1420—Lesch (DFL) Commerce, Jobs &

Economic Development Policy Large retail stores use permit moratorium provided, and report required.

HF1421—Zellers (R) Transportation Finance

Osseo; Central Avenue and Jefferson Highway project funding provided, bonds issued, and money appropriated.

HF1422—Carlson (DFL)

Higher Education Finance Post-secondary student financial aid modified, and money appropriated.

HF1423—Eken (DFL) **Environment & Natural** Resources Finance

Mahnomen County; Marsh Creek flood mitigation project in the Wild Rice River Watershed District funding provided, bonds issued, and money appropriated.

HF1424—Murphy (DFL)

Taxes

Hermantown local sales tax uses expanded to fund additional capital projects.

HF1425—Holberg (R) Civil Law

Money judgment stays of execution regulated.

HF1426—Dorman (R) Commerce, Jobs &

Economic Development Policy Workers' compensation technical changes provided, medical fee schedule conversion factor frozen for one year, and surcharge rate established.

HF1427—Bernardy (DFL) Taxes

Anoka County public safety radio improvements bonds validated.

HF1428—Goodwin (DFL)

Health & Human Services Finance Foodshelf programs funding provided, and money appropriated.

HF1429—Borrell (R) Local Government & Metropolitan Affairs

Local government prohibited from providing services or goods that are provided by private business, municipal liquor stores authority repealed, and study required.

HF1430—Smith (R) Governmental Operations & Veterans Affairs Policy

Retirement provisions modified for Minnesota State Retirement System general plan, correctional plan, legislators plan, state patrol plan, judges plan, and other plans.

HF1431—Stang (R) Higher Education Finance

Minnesota State Colleges and Universities clarifying and conforming changes provided, benefit provisions modified, purchasing and contracting authority expanded, and trustees authorized to accept and manage federal money.

HF1432—Ozment (R) Governmental Operations & Veterans Affairs Policy State employee voluntary unpaid leave options and early retirement incentives provided.

HF1433—Wasiluk (DFL) Governmental Operations & Veterans Affairs Policy Teachers retirement association Rule of 85 authorized.

HF1434—Goodwin (DFL) Health & Human Services Policy Automatic external defibrillator acquisition and distribution program established, and money appropriated.

HF1435—Demmer (R) Governmental Operations & Veterans Affairs Policy Public Employees Retirement Association police and fire plan survivor benefit authorized for the survivor of a specified deceased member. HF1436—Jacobson (R)

Taxes

Ramsey County library levies stated separately on tax statements and truth in taxation notices.

HF1437—Cornish (R) Governmental Operations & Veterans Affairs Policy Polling disclosure requirements provided.

HF1438—Ozment (R)

Taxes

Electric generation facility personal property exempted from taxation.

HF1439—Ozment (R) Taxes

Electric generation facility personal property exempted from taxation.

HF1440—Johnson, S. (DFL) Health & Human Services Policy Compassionate use act adopted protecting seriously ill patients from prosecution and prison for using medicinal marijuana under a physician's supervision, and imposing criminal penalties.

HF1441—Bernardy (DFL) Governmental Operations & Veterans Affairs Policy Lawful gambling revenue deposited into lawful gambling revenue fund, and money appropriated.

HF1442—Krinkie (R) Taxes

Local government aids reduced to specified cities.

HF1443—Hilty (DFL) Governmental Operations & Veterans Affairs Policy Precinct caucuses moved to the third Tuesday in February.

HF1444—Bradley (R) Health & Human Services Policy Medical assistance coverage authorized for some over-the-counter drugs.

Thursday, April 3

HF1445—Westerberg (R) Transportation Finance Trunk Highway 65 improvements funding provided, bonds issued, and money appropriated.

HF1446—Osterman (R) Transportation Policy Highway safety rest area leasing provided. HF1447—Bernardy (DFL)
Transportation Policy

World War I and II veterans entitled to the same parking privileges as physically disabled persons.

HF1448—Dill (DFL) Regulated Industries

Minnesota rural communications infrastructure fund established, wireless telephone service fee imposed, 10-year sunset provided, and money appropriated.

HF1449—Harder (R)

Transportation Finance

Transit assistance provisions modified for annually appropriating money for transit operations, and property tax replacement aid program abolished.

HF1450—Lenczewski (DFL) Transportation Finance Bloomington trunk highway project funding provided, bonds issued, and money appropriated.

HF1451—Kahn (DFL) Health & Human Services Policy Smoking in the workplace prohib-

Smoking in the workplace prohibited, and smoke-free areas provided in multi-tenant buildings.

HF1452—Urdahl (R) Agriculture Policy Feedlot regulation pasture definition clarified.

HF1453—Sertich (DFL)

Taxes

Hibbing tax increment financing district extension authorized.

HF1454—Sertich (DFL)
Governmental Operations &
Veterans Affairs Policy
Political party units prohibited from accepting contributions indirectly that they could not accept directly.

HF1455—Nelson, P. (R)

Taylors Falls and Franconia border city development zones authorized.

HF1456—Slawik (DFL)
Education Finance
Head Start program transferred

Head Start program transferred to the Department of Human Services.

HF1457—Gunther (R) Commerce, Jobs & Economic Development Policy Cigarette delivery sales regulated, and penalties provided. HF1458—Severson (R) Agriculture Policy

Farmed cervidae harvest permitted on licensed shooting preserves, and money appropriated.

HF1459—Cornish (R) Transportation Policy

Highway 14 reconstruction designbuild method considered, bonds issued, and money appropriated.

HF1460—Dorman (R) Agriculture Policy

Ethanol producer business association's shareholder rights clarified, and ethanol producer payments prohibited for associations not in compliance.

HF1461—Lanning (R)

Taxes

Moorhead tax levy extended.

HF1462—Hoppe (R) Judiciary Policy & Finance

Bureau of Criminal Apprehension required to establish and maintain a Web site containing public criminal history data.

HF1463—Latz (DFL)

Taxes

Sales and use tax provisions modified to conform to streamlined sales tax project.

HF1464—Pugh (DFL) Environment & Natural Resources Policy

Stormwater pollution prevention program plan grants provided for federally mandated municipalities.

HF1465—Finstad (R) Education Finance

School boards authorized to use revenue other than state aids to recognize volunteers for extracurricular activities.

HF1466—Smith (R) Governmental Operations & Veterans Affairs Policy Teacher retirement plan restructuring actuarial study required.

HF1467—Clark (DFL) Transportation Policy

Contractors required to take measures for hiring women and minorities for highway projects.

HF1468—Peterson (DFL) Agriculture Policy

Seed reservation mechanism provided for farmers for purposes of planting seeds in subsequent crop years, and fee authorized.



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MONDAY, April 7

12:30 PM

Taxes

Room: 200 State Office Building

Chair: Rep. Ron Abrams

Agenda: HF126 (Jaros) State convention center

tax exemption clarified.

HF598 (Jaros) Aircraft repair facility construction materials and equipment sales tax exemption provided.

HF954 (Abrams) Public safety radio communication system sales and use tax exemptions provided.

HF1057 (Dempsey) Indian reservation tax revenue state sharing with counties required. HF1417 (Peterson) Camp fees tax exemption modified.

Education Finance

Room: 5 State Office Building Chair: Rep. Alice Seagren

Agenda: Continuation of Thursday, April 3

agenda.

HF206 (Seagren) January 15 teacher contract

deadline date repealed.

HF1295 (Marquart) Education excellence revenue established as a funding mechanism for rewarding education results.

Health and Human Services Finance

Room: 10 State Office Building

Chair: Rep. Fran Bradley

Agenda: HF29 (Bradley) MinnesotaCare provider taxes repealed, pass-through of savings required, and cigarette and tobacco tax increases provided.

HF858 (Howes) Hubbard County facility nursing home bed moratorium exception provided.

HF1155 (Dempsey) Goodhue County existing ICF/MR licensing change authorized.

HF590 (Haas) Child-care assistance fraud prevention provisions adopted.

HF1001 (Boudreau) Adverse health care events reporting act of 2003 adopted establishing an adverse health care events reporting system, classifying certain health data, and appropriating money

HF491 (Samuelson) Nursing facility regulatory requirements and standards modified.

HF326 (Samuelson) Dental practice provisions modified relating to student loan forgiveness, dental hygeinist requirements modified, donated dental services program required, and dental assistance coverage contracting and metro urgent care clinic provided.

HF1139 (Samuelson) Human services technical changes provided, and long-term care report required.

HF1269 (Samuelson) Human services biennial

information on asset diversion required, senior linkage line information expanded, excess home equity applied to long-term care costs, and income transfers prohibition extended.

HF632 (Abeler) Long-term care insurance availability and quality expanded, and legislative task force established.

More bills may be added.

If necessary, this meeting will continue one hour after session in Room 5 of the State Office Building.

3:00 PM

THE HOUSE MEETS IN SESSION

6:30 PM

Meeting Time Note: The meeting will be after the floor session which may extend within 30 minutes of or past the stated time; in that case the Chair will announce the starting time from the House floor.

Ethics

Room: 10 State Office Building Chair: Rep. Sondra Erickson

Agenda: Hearing of complainants and respondent regarding complaint filed about Rep. Arlon Lindner; deliberation of probable cause. Introductions and explanation of procedure. Presentation by complainants (30 minutes).

Questions of complainants by respondent (15 minutes).

Questions of complainants by committee (15 minutes).

Presentation by respondent (30 minutes).

Questions of respondent by committee (15 minutes).

Closing statement by complainants (15 minutes).

Closing statement by respondent (15 minutes). Close hearing.

Committee deliberation to determine probable cause.

TUESDAY, April 8

8:15 AM

Transportation Finance

Room: 500S State Office Building

Chair: Rep. William Kuisle

Agenda: HF1048 (Penas) Trade and economic development, housing finance agency, natural resources, and transportation funding provided, bonds issued, and money appropriated.

HF1372 (Beard) Major highway projects account established, maximum license taxes on automobiles increased, trunk highway fund budget base reduced, motor vehicle sales tax dedicated, bonds issued, money appropriated, and constitutional amendment proposed.

HF1255 (Erhardt) County state-aid highway fund apportionment provided, motor fuel tax increased to fund trunk highways, transportation sales tax authorized for certain counties, major local projects account created, bonds issued, and money appropriated.

HF1286 (Westerberg) Hazard elimination safety account created in the local road improvement fund, local bridge replacement and rehabilitation and local road improvement program bonds authorized, standards provided, and money appropriated.

HF1395 (Hausman) Motor vehicle registration tax depreciation schedule modified and maximum taxes removed, motor fuel taxes increased, highway funds distributed, one-half cent transportation sales tax imposed, bonds issued, and money appropriated.

Education Policy

Room: 200 State Office Building

Chair: Rep. Barb Sykora

Agenda: HF829 (Urdahl) Probationary teacher

evaluation requirements provided.

HF1136 (Abeler) Performance bonds provided for certain school district contracts relating to computer, information, and network systems.

Health and Human Services Finance

Room: 10 State Office Building

Chair: Rep. Fran Bradley

Agenda: HF904 (Bradley) Public assistance, health care, continuing care, and children's services provisions modified; community services act adopted; medical assistance estate recovery provisions and local public health grants modified, and money appropriated.

HF905 (Bradley) Child-care programs, Minnesota economic opportunity grants, and food shelves funding provided; and money appropriated.

HF1361 (Finstad) County human services initiatives implemented.

More bills will be added.

This meeting may continue one hour after session in Room 10 of the State Office Building.

Environment and Natural Resources Finance

Room: 5 State Office Building Chair: Rep. Dennis Ozment **Agenda:** To be announced.

Jobs and Economic Development Finance

Room: Basement Hearing Room

Chair: Rep. Bob Gunther

Agenda: HF728 (Clark) HIV/AIDS in the workplace education provided and money appropriated.

HF55 (Mahoney) St. Paul; Phalen corridor contamination remediation grant provided, bonds issued, and money appropriated.

HF237 (Dempsey) Mississippi River Parkway Commission funding provided to promote tourism and economic development along the Great River Road.

HF748 (Gunther) Economic development, housing, jobs, and state government finance funding provided, and money appropriated. Testimony: Minnesota Film & TV Board.

10:15 AM

Taxes

Room: 200 State Office Building

Chair: Rep. Ron Abrams

Agenda: HF1250 (Dorn) Electric generation facility personal property tax exemption

provided.

HF1438 (Ozment) Electric generation facility personal property exempted from taxation. HF1439 (Ozment) Electric generation facility

personal property exempted from taxation.

HF11 (Mullery) Limited market value phaseout repealed, and sunset provided.

HF241 (Paymar) Limited market value phaseout extended.

HF405 (Erhardt) Limited market value phaseout extended.

Judiciary Policy and Finance Room: Basement Hearing Room

Chair: Rep. Steve Smith

Agenda: HF1123 (Smith) Criminal and traffic offenders surcharge increased, public defender applicants required to pay certain co-payments, collection authorized through the Revenue Recapture Act, and money appropriated.

HF1229 (Smith) Criminal and traffic offenses reclassified, and statutory reporting and case processing standards removed.

Overview of proposed court revenue enhancements

Education Finance

Room: 10 State Office Building Chair: Rep. Alice Seagren Agenda: To be announced.

12:30 PM

Agriculture and Rural Development **Finance**

5 State Office Building Chr. Rep. Elaine Harder **Agenda:** To be announced.

Transportation Policy

Room: 200 State Office Building

Chair: Rep. Ron Erhardt **Agenda**: To be announced.

Commerce, Jobs and **Economic Development** Room: 10 State Office Building Chair: Rep. Greg Davids

Agenda: HF155 (Kohls) Uniform commercial

code revisions enacted. More bills to be added.

2:30 PM

Civil Law

Room: 10 State Office Building Chair: Rep. Mary Liz Holberg

Agenda: HF1114 (Kohls) Purchase-money mortgage conveyance by spouses provisions modified.

HF961 (Smith) Human services program hearing procedures established.

HF973 (Brod) Veterans Affairs commissioner authorized to access taxpayer identification information to notify veterans of health hazards that might affect them.

HF1122 (Adolphson) Public notice and proceedings publication alternative methods provided.

HF760 (Abrams) Income, property, estate, sales and use, cigarette and tobacco product, and other taxation policy and administrative changes made, Internal Revenue Code conformity provided, civil and criminal penalties provided.

State Government Finance

Room: 500N State Office Building

Chair: Rep. Bill Haas

Agenda: HF1006 (Boudreau) Help America Vote Act conformity provided, complaint process created, and penalty imposed.

HF873 (Dorman) County records examination by private accountants authorized and state audit mandate by state auditor removed.

HF1133 (Kielkucki) Political subdivision compensation limit exception duties transferred, and state auditor fee authorized.

HF975 (Jacobson) Local government pay equity responsibilities transferred to the state auditor, and rulemaking and fees authorized.

Additional bills may be added and hearing may be continued.

Local Government and Metropolitan Affairs Room: 200 State Office Building

Chair: Rep. Jerry Dempsey

Agenda: HF433 (Strachan) State and other governmental agency response deadline provisions modified relating to zoning.

HF1003 (Strachan) Political subdivision compensation limit exclusion provided.

HF1373 (Rhodes) Metropolitan Radio Board expiration date extended.

HF1042 (Wardlow) Metropolitan Sports Facilities Commission name changed to Minnesota sports and entertainment commission, and commission membership modified.

SF174/HF204 (Murphy) St. Louis County: political activity restrictions modified for certain officers and employees in the classified service. **Regulated Industries**

Room: 10 State Office Building Chair: Rep. Torrey Westrom

Agenda: HF938 (Sykora)/SF 914 (Scheid) Wine off-sale licenses authorized for supermarkets.

4:00 PM

Meeting Time Note: One hour after the last body adjourns

Legislative Commission on Pensions and Retirement

Room: 200 State Office Building

Chair: Rep. Steve Smith

Agenda: HF253 (Johnson, J.)/SFXXXX Plymouth volunteer firefighter relief association ancillary benefits subjected to general law.

HF427 (Strachan)/SF731 (Marko) Fire state aid apportionment formula modification.

HF489 (Rhodes)/SF449 (Johnson, D.E.) Statewide volunteer firefighter retirement plan

HF1224 (Meslow)/SF1332 (Reiter) Volunteer firefighter relief associations monthly benefit and monthly benefit/lump sum options support levels revised.

HF191 (Gerlach)/SF206 (Knutson) MSRS; Authorize refunds for certain employees on medical leaves of absence.

HF284 (Vandeveer)/SF594 (Bachmann) Providing additional methods for retired state employees to pay for insurance benefits.

HF997 (Mullery)/SF847 (Langseth) Authorizing plumbers and pipefitters local pension fund exception to restriction on public fund contributions.

HF1313 (Murphy)/SF1156 (Pogemiller) MnSCU; Early separation incentive program. HF282 (Beard)/SF213 (Larson) TRA; Ad hoc post-retirement adjustment for certain pre-1969 teachers.

Other items as designated by the chair.

5:00 PM

Legislative Commission on Minnesota **Resources Executive Committee** Room: 300S State Office Building

Chair: Rep. Dennis Ozment

Agenda: Follow-up and discussion from 4/1/03 LCMR Executive Committee meeting regarding funding.

Follow-up and discussion from 4/1/03 LCMR Executive Committee meeting regarding possible parks study.

WEDNESDAY, April 9

8:15 AM

Transportation Finance Room: 200 State Office Building

Chair: Rep. William Kuisle

Agenda: HF1129 (Kuisle) Utility relocations necessitated by design-build transportation projects regulated.

limited to known archaeological or historic sites. HF1219 (DeLaForest) County exemption from permit requirements when reconstructing highway in existing right-of-way provided. HF1056 (Abrams) Metropolitan area transit and paratransit capital expenditure financing provided and bond issuance authorized. HF1385 (Lenczewski) Metropolitan fiscal disparities program adjustment for operating subsidies of light-rail transit system provided. HF353 (Lieder) Safe routes to school program development and implementation grants provided.

HF1172 (Kuisle) Archaeologist involvement

Health and Human Services Policy Room: 10 State Office Building Chair: Rep. Lynda Boudreau **Agenda:** To be announced.

Environment and Natural Resources Finance

Room: 5 State Office Building Chair: Rep. Dennis Ozment **Agenda**: To be announced.

Jobs and Economic Development Finance

Room: Basement Hearing Room Chair: Rep. Bob Gunther

Agenda: HF1184 (Osterman) Minnesota employment center for people who are deaf or hard-of-hearing funding provided, and money appropriated.

HF1252 (Gunther) Barber examiners board fee provisions modified, and money appropriated. HF748 (Gunther) Economic development, housing, jobs, and state government finance funding provided, and money appropriated. Testimony: MN Housing Partnership, Housing Minnesota, Coalition for the Homeless.

HF831 (Gunther) Unemployment insurance trust fund solvency provisions increased.

HF1283 (Clark) WomenVenture and the Metropolitan Economic Development Association grants provided, and money appropriated.

10:15 AM

Judiciary Policy and Finance Room: Basement Hearing Room

Chair: Rep. Steve Smith

Agenda: HF1354 (Fuller) Probation sanctions conference procedure established, and forms and procedures required.

HF1225 (Meslow) Prostitution offenses aggregation of prosecutions allowed.

HF808 (Dill) Radio equipment capable of receiving police emergency transmissions use and possession requirements clarified.

HF374 (Sieben) Crib safety definitions provided, sale and commercial use of certain cribs prohibited, and penalties provided.

Education Finance

Room: 10 State Office Building Chair: Rep. Alice Seagren **Agenda**: To be announced.

12:30 PM

Transportation Policy Room: 200 State Office Building Chair: Rep. Ron Erhardt **Agenda:** To be announced.

Agriculture Policy

Room: 5 State Office Building Chair: Rep. Howard Swenson

Agenda: HF 967 (Swenson) Feedlot upgrade

expenditure limits modified. Additional Bills to be added.

Commerce, Jobs and Economic Development Policy

Room: 10 State Office Building Chair: Rep. Greg Davids **Agenda:** To be announced.

2:30 PM

Civil Law

Room: 10 State Office Building Chair: Rep. Mary Liz Holberg

Agenda: HF933 (Borrell) County local welfare agency reporting of at-risk newborns provided, and Hennepin County mental health services data sharing authorized in certain circumstances. HF1087 (Osterman) Wage and employment data use authorized by agency designated as the performance accountability and consumer information agency.

HF468 (Davnie) Social security number use and display restricted.

HF1191 (Bernardy) National Night Out event location classified as public data.

HF634 (Holberg) Health data released to county human and social services departments in order to coordinate benefits and services.

HF464 (Biernat) Consumer privacy, confidentiality, and secrecy of financial records protection provided, and consumer authorization required for disclosure of financial information.

HF739 (Borrell) Data practices omnibus bill.

State Government Finance Room: 500N State Office Building Chair: Rep. Bill Haas

Agenda: To be announced.

Regulated Industries

Room: 10 State Office Building Chair: Rep. Torrey Westrom

Agenda: HF1333 (Westrom)/SFXXXX Small wind energy conversion system ownership and location requirements clarified relating to the renewable energy production incentive, incentive funding provided from electric utility assessment, and megawatts limit increased.

HF622 (Strachan)/SF653 (Sams) Emergency 911 telephone system modified to require multiline systems to provide caller location; and special county, city, and school district levies provided.

Local Government and Metropolitan Affairs

Room: 200 State Office Building Chair: Rep. Jerry Dempsey Agenda: To be announced.

5:00 PM

Legislative Commission on Minnesota Resources

Room: 500N State Office Building Chair: Rep. Dennis Ozment

Agenda: Follow-up and discussion from 4/1/03 LCMR Executive Committee meeting regarding funding.

Follow-up and discussion from 4/1/03 LCMR Executive Committee meeting regarding possible

parks study.

THURSDAY, April 10

8:00 AM

Legislative Audit Commission

Room: 316 State Capitol Chair: Sen. Ann H. Rest

Agenda: Election of Legislative Audit Commission Officers: Election of Chair;

Election of Vice-Chair.

Appointment of members to Program Evaluation Topic Selection Subcommittee; Remarks by James Nobles, Legislative Auditor.

8:15 AM

Jobs and Economic Development Finance

Room: Basement Hearing Room Chair: Rep. Bob Gunther

Agenda: HF1101 (Walz) Tourism office performance-based revolving account established, and money appropriated.

HF623 (Hackbarth) Vapor recovery equipment required for gasoline deliveries in the metropolitan area and penalties provided. HF748 (Gunther) Economic development,

housing, jobs, and state government finance funding provided, and money appropriated.

Transportation Finance Room: 500N State Office Building Chair: Rep. William Kuisle

Agenda: To be announced.

Environment and Natural Resources Finance

Room: 5 State Office Building Chair: Rep. Dennis Ozment Agenda: To be announced.

Health and Human Services Finance Room: 10 State Office Building

Chair: Rep. Fran Bradley **Agenda:** To be announced.

10:15 AM

Judiciary Policy and Finance Room: Basement Hearing Room Chair: Rep. Steve Smith Agenda: To be announced.

Taxes

Room: 200 State Office Building

Chair: Rep. Ron Abrams

Agenda: HF78 (Kahn) Dairy mixed cocktail

separate excise tax provided.

HF331 (Howes) Homestead resort valuation and deferment of property taxes provided. HF364 (Fuller) Tax deadline date on certain

resort property delayed.

HF372 (Howes) Reduced property tax class rate provided for property bordering public waters. HF815 (Thissen) Property tax payment compensation required for lost property tax base when real property is acquired by a governmental entity and becomes tax exempt.

12:30 PM

Agriculture and Rural Development Finance 5 State Office Building Chr. Rep. Elaine Harder Agenda: To be announced.

Commerce, Jobs and Economic Development Policy

Room: 10 State Office Building Chair: Rep. Greg Davids Agenda: To be announced.

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Reflections

Given the way Minnesota's boundaries have evolved over the years, it's obvious its form was never specifically conceived as it now appears today. In fact, Minnesota resulted from the movement of two territorial regions, and was actually part of nine different territories before it became a territory of its own.

The land that makes up the state of Minnesota was actually part of the Louisiana Purchase land and the Northwest Territory.

What ultimately became the north and east part of the state, referred to by historian J.A.A. Burnquist as "No Man's Land,"

belonged to Great Britain and was ceded to the United States in 1783. It was east of the Mississippi River at Lake Itasca, and north to the present Canadian border. It later became part of the



Photo courtesy of the University of Washington Web site.

Northwest Territory that included land west of Pennsylvania, north of the Ohio River, around the Great Lakes, and across the present Canadian boundary to Oregon.

When statehood came to Ohio in 1803, Minnesota land east of the Mississippi became a part of the Indiana Territory. Two years later the land became the Michigan Territory. When the Illinois Territory was separated from Indiana in 1809, northeast Minnesota and Wisconsin land became a part of that area. In 1834, settlers wanted to establish a new territory as Minnesota, having begun to settle on the western banks of the Mississippi River. That land was all part of the Michigan Territory.

The area known as "No Man's Land" once again came under different control when it became a part of St. Croix County, Wis. Boundaries had been set for a Wisconsin Territory that included the present city of Stillwater, Minn., as a county seat, and later, a provisional seat of government. But before Wisconsin became a state in 1848, boundaries were set to exclude St. Croix County. "No Man's Land" settlers were abandoned one more time while thinking they would be incorporated into the new state of Wisconsin.

In 1847, a Wisconsin delegate introduced a bill to Congress that would

establish a new territory named Minnesota. The bill was referred to the territories committee chaired by Stephen A. Douglas. After much discussion on whether the name should be Itasca, as suggested by Douglas, or Chippewa, Jackson, or Washington, the name Minnesota remained. The bill was tabled until the 1848 session when it failed because some congressmen felt the population out on the frontier was too sparse.

Things were also changing to the south and west of what would become Minnesota.

In 1803, France sold all land west of the

Mississippi out to the Rocky Mountains, then along the Arkansas River down to the Gulf of Mexico. The Louisiana Purchase became for the United States, the best property transaction for

years to come – it bought thousands of miles of land for 4 cents an acre.

By 1812, the northern part of the Louisiana Territory became the Missouri Territory. When the Iowa Territory was carved out of that area in 1838, present-day Minnesota was divided once again. Much of the Louisiana land west of the Mississippi and north of the Missouri rivers became Iowa Territory. Land to the east remained with Wisconsin. When Iowa became a state in 1846, the Congressional Territories Committee, created its present boundaries.

Now that more land was available and squatters were already beginning to settle to the west, some prominent men in the area held a convention at Stillwater in August 1848 to once again petition the president and Congress to create a new territory.

Henry H. Sibley, who was elected as a delegate to Congress from the Wisconsin Territory, and Douglas, through perseverance, helped to get the bill passed. St. Paul was named the capital city of the new Territory of Minnesota that included the land that is now North Dakota and South Dakota. When news reached St. Paul, one pioneer exclaimed, "Thank the Lord. We live in the United States again."

— LeClair Grier Lambert

Minnesota House of Representatives
Public Information Office
175 State Office Building
St. Paul, Minnesota 55155-1298

Speaker of the House: Steve Sviggum Majority Leader: Erik Paulsen Minority Leader: Matt Entenza

MINNESOTA

Powering up

Investor-owned utilities in Minnesota, 2002	6
Rural electric cooperative associations, 2002	
Municipal utilities in Minnesota, 2002	
Electric distribution utilities	126
Gas distribution utilities	
Coal-based fuels used to generate electricity in Minnesota, 2000, as percen	
Nuclear based fuels, as percent	
Percentage of electric energy consumption by investor-owned utilities	
Total gigawatt hours of electricity consumed in Minnesota, 2000	
In 1990	
Gigawatt hours consumed in 2000 by residential customers	
Gigawatt hours consumed by commercial customers	
Total electric customers in Minnesota, 2000, in millions	
Residential customers, in millions	
Farm customers	
Commercial customers	
Industrial customers	
Total electric sales revenue in Minnesota, 2000, in billions	, -
In 1985, in billions	
Total natural gas consumption in Minnesota, 2000, in cubic feet	
In 1990, in cubic feet	
Total residential use in 2002, in cubic feet	
Commercial use in 2002	95,900
Industrial use in 2002	
Total natural gas customers in Minnesota, 2000, in millions	
Residential customers, in millions	
Commercial customers	
Industrial customers	
Total natural gas revenue in Minnesota, 2000, in billions	\$1.6
Estimated amount by which Minnesota electric power generation	0.000
capacity will fall below needs, 2010, in megawatts	2,000
As percent of needs	15
Potential for biogas electricity production in Minnesota, in millions of kilowatts per hour	014
Wind-generated electricity in Minnesota, in mega-watt hours	
Consumer complaints handled by the Public Utilities Commission, 2002	
Value of ratepayer credits resulting from resolved complaints, in 2002	
value of ratepayor creates resulting from resolved complaints, in 2002	ΨΖυτ,υυυ

Sources: 2002 Annual Report, Minnesota Public Utilities Commission, January 2003; The Minnesota Utility Data Book, Minnesota Department of Commerce, June 2002; Powering Up Minnesota's Energy Future, Citizens League, December 2002; Minnesota's Potential for Electricity Production Using Biogas Resources, Minnesota Department of Commerce, January 2002; Minnesota Department of Commerce Web site, www.commerce.state.mn.us.

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