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In this issue:

STATE OF THE STATE

TEACHER COMPENSATION, NUCLEAR STORAGE, AND MORE

HF262-HF341

SESSION Weekly

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On the cover: Snow covers the Quadriga atop the Capitol Feb. 3.

—Photo by Tom Olmscheid

Storage concerns

House begins examining ways to create more space for nuclear waste at 2 state power plants

BY TOM LONERGAN

More waste storage for Xcel Energy's Prairie Island nuclear power plant near Red Wing will be the major factor that determines nuclear power's future in Minnesota, utility officials told House members at hearings Feb. 4 and 5.

The utility's request for additional dry cask storage capacity for Prairie Island's spent fuel rods has re-opened an energy and environmental debate in the Legislature that a decade ago led to a legislative compromise approving off-site storage for Prairie Island and requiring Xcel, then Northern States Power Co., to develop renewable energy sources.

Also at issue is whether the Mdewakanton Dakota Tribal Council at Prairie Island, as a third-party beneficiary to the 1994 agreement between the state and Xcel, has the authority to limit the amount of stored nuclear waste from the plant.

Rep. Bruce Anderson (R-Buffalo Township) and Sen. Mark Ourada (R-Buffalo) introduced bills in the House and Senate Feb. 6 to increase the number of storage casks at Prairie Island beyond the 17 allowed by the 1994 state law.

Members of the House Regulated Industries Committee heard testimony Feb. 4 and 5 from Xcel representatives, the state Department of Commerce, and the nonpartisan House Research Department. Representatives from the state Public Utilities Commission and Health Department are scheduled to appear before the committee Feb. 11 with public testimony from groups and individuals to be heard that day or the next.

The storage issue affects the future operation of Prairie Island's two nuclear reactors and the utility's Monticello nuclear plant, which together generated nearly 30 percent of the electricity Xcel's Minnesota customers used in 2001, according to a House research report. Prairie Island's unit one began operating in December 1973 and its unit two went online a year later. The utility's Monticello plant, located three miles from the town it was named after, began operating in mid-1971.

The 17 dry storage casks at Prairie Island

reached capacity last summer, according to Xcel. Spent fuel is stored in a pool inside the plant, but that pool will be full in 2007. If there's no additional storage capacity approved, the utility will shut down Prairie Island at that time. The Monticello plant's waste is stored in a spent fuel pool that will be full in 2010, utility officials said.

Other factors involved in why Xcel needs the Legislature to decide the waste storage issue this session, according to utility officials, include the following:

- There is currently no interim national nuclear waste site available;
- A \$130 million new steam generator needed at Prairie Island would require the plant to



PHOTO BY TOM OLMSCHIED

Jim Alders, manager of regulatory administration for Xcel Energy, testifies before the House Regulated Industries Committee Feb. 4 on issues pertaining to the Prairie Island nuclear power plant and the need for additional storage at the facility.

stay open until 2010 to justify the utility's investment; and

- The waste storage issue would affect the utility's decision to seek federal nuclear license renewals for both plants, a process requiring significant lead time.

Committee members mostly sought more details about Xcel's proposal. Rep. Jean Wagenius (DFL-Mpls) reminded utility officials that in 1994 Northern States Power representatives said they wouldn't return to the Legislature to ask for more nuclear cask storage. "We have to talk about the elephant sitting in the middle of the room and that's your credibility," Wagenius said.

In response, Laura McCarten, the utility's community services director, said, "We didn't want to come back." The 1994 state law, she said, directed the utility to prepare a replacement for Prairie Island. "We can replace the plants," McCarten said. "The question is, is that the best energy option?"

The utility is seeking a policy decision, she said. "We're looking at whether nuclear power will be part of Minnesota's energy future."

Edward Garvey, deputy commissioner of the state Commerce Department, said the nuclear power issue is "a question we all have to struggle with as public policymakers." As an assistant to former U.S. Sen. David Durenberger, Garvey worked in the late 1980s on high-level nuclear waste storage.

"It's a question of when," Garvey said regarding the establishment of a national nuclear waste storage site. He said the Pawlenty administration would do everything it can to assure that Minnesota's nuclear waste "is going to be at the front of the line," when the federal site is available. Xcel officials don't see the national site being available for another decade.

Last year, Congress designated the Yucca Mountain site in Nevada as a suitable repository for spent nuclear fuel. According to a House Research analysis, Nevada is adamantly opposed to the project and is expected to legally challenge it. Without the site, some of the nuclear waste currently stored in Minnesota would remain in the state until after 2035, according to the analysis.

The environmental trade-off between fossil fuel-based and nuclear-generated power does not provide legislators with an easy choice, said Steve Rakow, an analyst with the Commerce Department's electric utility unit. "It's acid rain, smog, and global warming



On the air

Legislative proceedings have been televised since the mid-1980s

Minnesota is one of 41 states offering live broadcasts of legislative proceedings, delivered either via television or the Internet. Both non-partisan offices of Senate Media Services and House Public Information Services work together to provide both – televised access to the Legislature and Internet video streaming.

The history of legislative broadcasts is relatively short – they began just 16 years ago.

In 1987 Minnesota's Senate began broadcasting live committees and floor sessions on a local cable channel in the Twin Cities metropolitan area, Metro 6. Seven years later the Minnesota House did the same, working together with Senate employees. With support from then

House Speaker Irv Anderson (DFL-Int'l Falls), House Television was established as a department in 1996. That same year, House and Senate proceedings were expanded statewide by satellite.

Anderson, now in his 16th term, says television services answered a need to let people know what the Legislature was doing and generate public interest. "I was open to the public, and wanted the Legislature to be the same way," he said.

The House had an initial \$500,000 cost of installing the equipment including a control room for directing operations, and for cameras in the House chamber and one hearing room in the State Office Building. Since then, cameras have been placed in two additional House hearing rooms.

Every two years, the Legislature spends about \$800,000 to purchase air time for distribution of legislative programming – including both House and Senate proceedings. A contract with Twin Cities Public Television for \$372,240 covers Twin Cities metropolitan area distribution, and satellite distribution via 30 cable stations throughout Greater Minnesota currently costs \$421,560. Costs are split between the House and Senate.

While the Legislature was expanding its television coverage, Rep. Gene Pelowski, Jr. (DFL-Winona) was chair of the House Select Committee on Technology, which, among many developing technologies, oversaw the

development of the House Web site and e-mail. "The public did testify before the committee and was supportive," he says, "Once the broadcast began it became clear that this was going to be a regularly watched event." Seniors and those in Greater Minnesota responded immediately. He says it changed the way people not only looked at the Legislature but the way the Legislature acted on the floor and in committee.

There are three robotic television cameras in the House chamber. In the State Office Building where House committees generally meet, three rooms contain cameras. The Senate has their own set of cameras in several rooms and in the Senate chamber.

When House broadcasts first began, coverage included floor sessions and a few committee meetings. With added capabilities, press conferences and educational programming on the legislative process can now also be viewed. Over time, House television was able to further utilize the House Web site capabilities by adding video streaming on the Internet. This function allows people to watch legislative happenings while sitting at their desks. This also provides access to televised activities for residents without television coverage in their area.

All legislative events covered by the House are available in the archives to watch later at an individual's convenience.

Budget constraints may mean legislative television will go dark within the next few months.

As part of his budget-balancing plan for fiscal year 2003, Gov. Tim Pawlenty proposed eliminating legislative television funds to purchase the air time to broadcast legislative proceedings. Both the House and Senate bills did not recommend reducing legislative funding.

The fate of the program rests in the hands of a conference committee, negotiating the differences between the two bills. If they do not reach an agreement, Gov. Pawlenty has said he will trim the budget himself.

(P. JANOVEC)



Officials with Xcel Energy's Prairie Island nuclear power plant say waste storage in dry casks, like these, have reached capacity.

versus radioactive waste," Rakow said.

If coal generation were to replace its nuclear plants in the state, Xcel said, that could lead to 420 million more tons of carbon dioxide emissions over 30 years.

Coal-fired plants currently provide 34 percent of Xcel's energy fuel sources, according to the utility, and nuclear sources account for 28.5 percent. Wind and biomass sources, which the utility agreed to develop in 1994, provide 2.5 percent.

Xcel has 480 megawatts of wind capacity "installed or contracted to be running" by December 2003, according to documents the utility provided the committee. It expects to have 825 megawatts from wind power online by 2007. Regarding biomass sources, the utility has a small (25 megawatts) co-generation plant in St. Paul that burns waste wood, but two other biomass plants await approval of financing.

Regarding the utility's commitments to develop renewable energy in the 1994 law, Jim Alders, Xcel's regulatory manager said, "We have met all of them."

Replacing the 1,700 megawatts from its nuclear plants with coal or natural gas fired plants would cost ratepayers from \$1.8 billion to \$2.6 billion more over a 30-year period, according to Xcel estimates. A combination of natural gas and wind-generated power, the utility estimated, would cost \$2.2 billion more.

Alders said the utility hasn't "found a way to replace 1,700 megawatts with only renewables."

Anderson and Ourada said their bills would repeal the state's limit of 17 nuclear storage casks at Prairie Island. The bills do not specify how many additional storage casks the state should approve. The federal Nuclear Regulatory Commission (NRC) would allow up to 48 storage casks.

In its resource plan Xcel filed last December for approval by the state Public Utilities Commission, the utility said it estimates needing 150 additional megawatts of production capacity to meet customer demand in Minnesota during the next 15 years. 🐼

ARTS

Projects cancelled

The Minnesota Bureau of Criminal Apprehension has a new building, but funds for artwork in the facility are on the chopping block.

Robert Booker, executive director of the Minnesota State Arts Board, testified before the House Capital Investment Committee on Feb. 5, defending appropriated money for the project that was taken away — for now.

Rep. Phil Krinkie (R-Shoreview), the committee chair, explained how the committee at its Jan. 22 meeting included a cancellation of funds with its budget-balancing recommendations. The funds were originally part of a \$58 million appropriation in the 2000 bonding bill for building and furnishing the new bureau facility. Of that money, \$100,000 was designated to the state Arts Board for artwork in the facility. However, because those funds were still sitting unencumbered in the general fund when the committee made its recommendations, the funds were included in the bill.

Booker says the organization rarely deals with general fund money. The funding it receives comes primarily through bonding, which can be renewed after four years.

The board attempted to retain those general fund dollars following the committee's decision to take them to balance the budget, after receiving a call warning them of the committee's action. Booker explained the phone call from a Department of Finance executive budget officer, whom he did not name, suggested the organization should encumber the remaining general funds.

Rep. Chris Gerlach (R-Apple Valley) pointed out that the Department of Administration delegates the authority to encumber funds. Krinkie pointed out that Booker was recently denied that authority by Brian Lamb, the new commissioner of administration. Booker explained that in the past he has automatically received that authority under the four previous governors, saying the situation was "a little breathtaking." He stated that he was upset and the Arts Board is a good, honest, clean business, with several artist's contracts signed.

Frank Dolejsi, director of the Bureau of Criminal Apprehension forensic laboratory, said that due to the sometimes "gruesome" nature of the department's work the artwork would provide a more pleasant environment, though he acknowledged it was not essential to the project.

Krinkie further explained the state might

not be legally bound to delivering the funds in question under the circumstances. No further action was taken on the matter.

BUDGET

Governor's budget-cutting plan

If no agreement on resolving the state's budget deficit can be reached by the close of business Feb. 6, Gov. Tim Pawlenty promised he would unallot, or cut 2003 budget allocations, the following morning.

The governor made that statement before the Legislative Advisory Commission Feb. 5. "We don't want to unallot, but we will if we have to."

By law, the state's budget must be balanced at the end of each fiscal year on June 30. For fiscal year 2003 the state is forecast to be \$356 million short.

The House previously passed a \$468 million budget-balancing bill, the number set by Pawlenty, and the Senate passed a \$374 million package. A conference committee was convened to work out the differences, and was still negotiating when this issue of *Session Weekly* went to press.

"We can't spend much more time or energy chasing a mosquito around the room when we've got a Tyrannosaurus Rex in the room," Pawlenty said in reference to the state's projected \$4.2 billion shortfall for the next biennium.

State Finance Commissioner Dan McElroy said every day that passes means more money

out the door that can't be cut. He said that between Jan. 14, when Pawlenty presented his budget reduction plan, and Feb. 4 the state spent \$822 million.

McElroy said the amount Pawlenty would need to unallot is \$332 million because \$24 million in forecasted reserves must be used as well.

If the governor unallots, he cannot reduce more than is needed to balance the budget. That means that if there is another economic downturn for whatever reason, more reductions may yet be needed before the end of the fiscal year.

McElroy did not release specifics of what would be reduced, but noted the plan would likely follow the reductions Pawlenty suggested last month.

However, many of the transfers originally proposed by Pawlenty could not occur, such as money from the solid waste, workers compensation, and state airports fund balances. McElroy said the 21st Century Minerals Fund could be reduced because it was a prior appropriation from the general fund.

Additionally, Pawlenty could not tap all of the \$130 million he wanted to take that was set aside for road projects and instead bond for them.

"A relatively small portion of the one-time transportation money is still uncommitted," McElroy said. "With refinancing the law allows us to refinance the commitments we've made up to 60 days prior to the time we take that action. If we simply reduce the appropriation we would only reduce the appropriation of



Gov. Tim Pawlenty tells members of the Legislative Advisory Commission Feb. 5 that if an agreement to balance the fiscal year 2003 budget is not reached by the next day he would begin trimming appropriations to balance the budget.

unallotted funds and there is only about \$20 million that remains unallotted.”

Sen. Dennis Frederickson (R-New Ulm), a conference committee member, asked McElroy whether the administration would delay acting if conferees reached an agreement late Feb. 6 and approved the agreement on Feb. 10.

McElroy said that he had not specifically asked Pawlenty about that, but “it would be my recommendation that that would meet our needs.”

★ BUSINESS

Subsidy success

Government subsidies given to businesses throughout the state to create high-quality jobs and stabilize communities are working, according to one department director.

Bob Isaacson, director of the analysis and evaluation division at the state Department of Trade and Economic Development, presented statistics on subsidies to the House Jobs and Economic Development Finance Committee Feb. 6.

Beyond the statistics, Committee Chair Rep. Bob Gunther (R-Fairmont) wanted to know the bottom line. Are business subsidies in Minnesota achieving their intended purpose, he asked.

“I don’t think there’s any question business subsidies do have the intended effect,” Isaacson said.

The subsidies – offered by cities, counties, and regional and state governments – can take the form of loans; grants; tax cuts or deferrals; contribution of land, property, or infrastructure systems; or preferential use of government facilities. A separate financial assistance category can help clean polluted property and soils, renovate buildings, and designate historic preservation districts.

According to state law, a public purpose must be served by the subsidy. Examples include enhancing the state’s economic diversity, creating high-quality job growth, stabilizing communities, increasing the tax base, and retaining jobs, provided those jobs are at imminent risk.

Isaacson said a complete report on 2001 business subsidy activity is scheduled for release in the next couple weeks. The report will indicate, he said, that 66 agencies reported business subsidy activity totaling \$81 million, with a median subsidy of \$180,000.

Sixty-nine percent of the subsidies claimed a public purpose of job growth, and 62 percent an increase in the tax base.

The Twin Cities metropolitan area accounted for 68 percent of the total subsidy value with 31 percent of the projects.

WINTER CANOPY



PHOTO BY TOM OLMSCHIED

A pair of visitors leave the State Office Building through a snowy canopy after the first substantial snowfall of the winter blanketed the Capitol Complex Feb. 3.

However, one redevelopment project in St. Louis Park caused that statistic to spike. If not for it, the area would have accounted for 38 percent of the total subsidy value, Isaacson said.

Gunther said he believes Minnesota could go a long way to enhance its business subsidy program, particularly in comparison to other states’ efforts. At the same time, he added, some people think Minnesota is spending too much money on subsidies.

Said Gunther, “Somewhere we have to find out who’s right.”

★ CONSUMERS

Canvas salesmen protection

An antiquated law designed to protect consumers from dishonest wagon canvas salesmen may soon be expunged from state books.

Passed in 1913, the law required that all cotton canvas manufacturers label canvases – used for awnings, wagon covers, tents, grain and hay covers, stable or tent tops – with their correct weight. Violation of the law constituted a misdemeanor; a conviction carried a sentence of a \$25 to \$50 fine for the first offense, and a \$50 to \$100 fine for subsequent offenses.

Rep. Marty Seifert (R-Marshall) presented HF95 to eradicate the antiquated law to the House Commerce, Jobs, and Economic Development Policy Committee on Jan. 30. The same bill was approved by the House last session, but failed to become law because it lacked a Senate companion. Seifert said Sen. Sharon Marko (DFL-Cottage Grove) might carry the

bill this year in the Senate.

“We have tried to find anyone opposed to it and couldn’t,” Seifert added.

Seifert said he is helping lead an effort to repeal unnecessary laws from the books. The process has “thinned the statute books down immensely in about the last two or three years,” he said.

Approved by the committee, the bill now goes to the House floor.

★ EDUCATION

Deleting the paper trail

Teachers would no longer have to file a certified copy of their teaching license with a school district, under a bill approved Feb. 4 by the House Education Policy Committee and referred to the House floor.

The bill (HF120) proposes that school districts and charter schools use the Department of Children, Families and Learning Web site to verify teaching credentials beginning with the 2003-04 school year.

The teacher license copies are “no longer necessary,” said Rep. Stephanie Olsen (R-Brooklyn Park), the bill’s sponsor, because the department’s Web site has the most current information on a teacher’s license. License information on the department’s site is only accessible by personnel licensing staff.

The Anoka-Hennepin School District suggested the elimination of the requirement to improve efficiency and eliminate duplication of effort, Olsen said.

A companion bill (SF212), sponsored by Sen. Leo Foley (DFL-Coon Rapids) awaits committee action in the Senate.

Retirees in the classroom

School districts could tap more of the state's 35,000 retired teachers for short-term substitute duty, under a bill being considered by the House Education Policy committee.

Sponsored by Rep. Sondra Erickson (R-Princeton), HF219 would allow retired teachers to substitute for 15-day periods once they are granted a "lifetime limited short-call substitute teaching license" by the state.

The license would provide a new substitute teaching option for retired teachers and exempt them from fulfilling a state requirement to complete continuing education credits. Only retired teachers granted the proposed short-call license would be exempt from the continuing education requirement.

"They're very good teachers and they want to be in the classroom," said Erickson, herself a retired teacher. As a holder of a lifetime teaching license, she said that she would not personally benefit from the bill.

According to the Department of Children, Families and Learning, about 20,000 of the state's 56,000 teachers will retire in the next 10 years. A December 2000 Education Minnesota survey reported that 82 percent of responding school districts said they had few licensed substitute teachers.

The bill would also allow licensed retired teachers from accredited nonpublic schools to substitute teach on a short-term basis, as well as retired teachers holding an out-of-state teaching license.

There was no opposition to the bill at the hearing Feb. 4. The committee delayed a vote on the bill pending a rewrite of a minor procedural issue in the proposal.

No Senate companion bill has been introduced.

Funding early childhood education

The message delivered to the first meeting of a new bipartisan early childhood caucus of House members was that investment in early childhood education brings extraordinary economic and social returns.

Chaired by Rep. Jim Rhodes (R-St. Louis Park) and Rep. Nora Slawik (DFL-Maplewood), the caucus was formed following the elimination of the House Family and Early Childhood Education Finance Committee prior to the current legislative session. Early childhood education issues are now considered by the House Education Policy and Education Finance committees.

Rob Grunewald, regional economics analyst for the Federal Reserve Bank of Minneapolis, spoke before the group Jan. 31 about a study he co-authored with Art Rolnick, the bank's research director, that argues "any proposed economic development list should have early childhood development at the top."

"Economic development is created by workforce development," Grunewald said, and public education is the primary engine. More than 85 percent of the nation's children are educated in public schools, according to the study. Public subsidies of business infrastructure, entertainment, and professional sports arenas in the name of economic growth and job creation, the authors contend, have been "shortsighted and fundamentally flawed."

The sector of public education that will reap the widest benefits from more investment dollars is early childhood development, according to the study. A 27-year research project completed in the 1990s that tracked low-income African American Head Start students from an Ypsilanti, Mich., school found that the Head Start students performed better in K-12 education, were earning \$2,000 more per month than non-Head Start student peers, and

were far less likely to engage in crime. Citing that research, the economists claim that for every \$1 spent in early childhood development, the return was \$8.

The economists proposed to the group that Minnesota spend \$1.5 billion to create a foundation for early childhood development that would cover the gap between current state aid for Early Childhood and Family Education, School Readiness and federal Head Start programs, and what's needed to fund a high-quality early childhood education program for all 3- and 4-year-old children in the state. For fiscal year 2003, the state will spend an estimated \$47.1 million on the three early childhood education programs.

The foundation could draw donations from business, government, individuals, and private foundations, according to the study. Investing the foundation's funds in corporate bonds at an assumed 7 percent a year would bring in an estimated \$105 million annually for comprehensive early childhood education.

"It may take a few years to turn this into reality," said Slawik. "State government is not in a position to create the endowment on its own."

Members of the newly formed group agreed to study the issue and work with any similar early childhood caucus that may be formed in the Senate.

EAGLE STAFF



PHOTO BY TOM OLMSCHIED

George McCauley of the Omaha Nation and the American Indian Center in Minneapolis waits to present an Eagle Staff for the Metro Urban Indian Day ceremonies in the Capitol Rotunda Feb. 5. The day is dedicated to bringing visibility and understanding to urban Indian issues and their communities.

ELECTIONS



Appropriating federal funds

An account would be created to receive incoming federal funds for elections, under a plan approved Feb. 4 by the House Governmental Operations and Veterans Affairs Policy Committee.

Sponsored by Rep. Jim Rhodes (R-St. Louis Park), HF195 is in response to the Help America Vote Act, which President Bush signed into law last year. Under the act, each state will receive \$5 million for local election administration. The bill would also appropriate state funds needed to qualify for the federal match. The state must match 5 percent of the money used in the account.

Once received, the dollars could be used in a variety of ways, including:

- Training election officials, such as judges and county administrators;
- Educating voters; and
- Buying voting systems.

Scott Simmons, the director of elections and voting in the Office of the Secretary of State, said the federal law allows flexibility regarding specifically how the money may be spent. Whether it's equipment to return ballots when overvoting occurs or a touch screen for

disabled voters, the options are "limitless," he said.

The federal act calls for every polling place in the state to have equipment for disabled voters.

Rep. Steve Strachan (R-Farmington) asked whether that included polling places that don't serve voters who would need such technology. He said that after talking with several disabled constituents in his district, they were willing to go to a central polling place if there was a 10-day window of opportunity and voter confidentiality.

Simmons said every polling place must have access for the blind or disabled to vote, even if there is nobody who would use the equipment. He said the office is looking into more efficient ways of handling the requirement, and the remedy could result in fewer polling places because of the cost to install the equipment in each precinct.

Rep. Loren Solberg (DFL-Grand Rapids) raised concerns regarding how the funds are set aside for the office, noting that the bill says funds would be "continuously appropriated to the secretary of state for election administration improvement."

He also said the federal law doesn't allow for legislative oversight, and there is nothing to guarantee the funds ever stop being appropriated. Simmons said the accountability is in the fact that the state and federal government can audit the funds. In addition, he said a committee, including at least one member from both the House and Senate, would put together a state plan for the account.

The bill is headed to the House State Government Finance Committee. A Senate companion (SF152), sponsored by Sen. Linda Scheid (DFL-Brooklyn Park) awaits committee action.

★ EMPLOYMENT

★ Helping displaced homemakers

A program to help women learn about the workforce after their roles as homemakers have been decimated by tragedy is still on state budget books, and clients would like it to remain so.

The Displaced Homemaker Program would have been cut under former Gov. Jesse Ventura's administration, but the Legislature thought otherwise, said Daniel Swalm, interim director at Career Solutions.

Advocates urged legislators on Feb. 4 to keep the program alive. They anticipate Gov. Tim Pawlenty may recommend cutting the program's funding in the 2004-05 budget, anticipated for release Feb. 18.

Yvette Oldendorf, representing the program, told the House Jobs and Economic Development Finance Committee that the Displaced Homemaker Program helps many women

avoid welfare assistance. The Department of Economic Security helps oversee the program.

A displaced homemaker is a person who cared for their home and family exclusively for at least two years, but now must seek employment to support the family due to separation or divorce, or the death or disability of their spouse. It is not as much an employment program as it is a pre-employment 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 are suffering from depression.

Laura Determan of Mankato turned to the program after leaving a controlling, alcoholic husband, she testified. It cost the state \$1,247 to serve her for one year in the program. Public assistance for her and her children would have cost the state \$15,264, she said.

"Because of the program, I am now making over \$18,000 a year and paying state income and property taxes," Determan said.

The 12 regional partner locations – including Career Solutions in the Twin Cities – offer 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 under a budget of \$1.8 million. 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.

★ ENVIRONMENT

From refuse to resource

Minnesota's waste stream is growing at the rate of 3 percent per year, prompting a shift in the state's solid waste management system toward viewing garbage as a resource. Officials hope this changing mindset will both reduce pollution and save money.

The House Environment and Natural Resources Policy Committee reviewed the solid waste stream Jan. 30, focusing in particular on recommendations from an advisory panel charged with finding solutions to the state's growing waste disposal needs.

"We see solid waste management as part of the infrastructure of a sustainable community," said Kurt Soderberg, executive director of the Western Lake Superior Sanitary District. Soderberg presented the key goals and possible courses of action that had received support from a majority of the 33-member Solid Waste Advisory Committee.

The team consisted of a diverse,

knowledgeable group of people, Soderberg said, with participation by local and state officials, commercial and residential waste generators, and representatives from environmental groups and the waste management industry. Their goals include the following:

- Managing waste in a manner that will protect the environment and public health,
- Causing generators to take responsibility for the environmentally sound management of their waste, and
- Maximizing the use and value of recovered materials.

"We can recycle all we want, but until we have a demand for those recycled products it is far less of an efficient system," Soderberg said.

The advisory committee also proposed a lofty 85 percent statewide reduction by weight of municipal solid waste landfill placements by the year 2020.

Achieving that significant drop will require preventing compostable items such as food and yard waste and recyclables from being mixed with trash in the first place.

It will also take money. The advisory committee unanimously recommended that all revenues from the solid waste management tax on residential and commercial garbage service be solely dedicated to solid waste needs. Currently, 50 percent of the tax levied flows to the state's general fund.

Big river cleanup

More than 1,200 Twin Cities metropolitan area volunteers pulled 92 tons of garbage from the banks of the Mississippi River last summer in the largest cleanup ever conducted along the waterway.

Among the more curious items retrieved — tires, refrigerators, bicycles, and Styrofoam. Tons of Styrofoam.

"When we just scratched the surface, we pulled out five tons in one week," cleanup organizer Chad Pregracke told the House Environment and Natural Resources Finance



Committee Feb. 6 of the success the event had last year when 92 tons of garbage were removed from the banks of the waterway.

Committee Feb. 6.

"You guys may want to pass something — that's a political move I just made right there," he said with a sly smile. Members of the committee were noticeably charmed.

Pregracke, an Illinois resident, is an unlikely lobbyist. Still in his 20s, he was a recipient of the national Jefferson Award for Public Service last year, along with Bill and Melinda Gates, Rudy Giuliani, and Lilly Tartikoff.

"That's kind of like the Nobel Peace Prize with regard to public service," Committee Chair Rep. Dennis Ozment (R-Rosemount) said.

The cleanup effort, conducted along 43 miles of river between Prescott, Wis., and St. Anthony Falls, brought "unusual coalitions together in order to make something really positive happen along the Mississippi River," Ozment said. Participants and sponsors included nonprofits, government agencies, and businesses, particularly those who make their living along the river.

"I guess it just goes to show it really does take teamwork," Pregracke said without a hint of cynicism.

The volunteers' hard work could produce legislative results. Waterlogged Styrofoam blocks break apart into small beads that make their way to the Gulf of Mexico, Ozment explained. Birds nesting along the shoreline are unable to incubate their eggs because the material acts as an insulator against the earth's warmth. The committee chair said he hopes to hold a hearing on the issue later this session.

The 2003 Big River Cleanup in the Twin Cities is scheduled for June 14-21.

★ GAME & FISH

Healthy herds

Chronic wasting disease, a brain disease transmissible among the family of animals including deer and elk, has recently been identified in two captive elk in Minnesota.

Wildlife and health officials are concerned the disease could spread to the state's deer population, particularly after three free-ranging Wisconsin deer tested positive last year. The Centers for Disease Control has stated there is no causal link between the disease in animals and human illnesses.

Last fall, hunters assisted the Department of Natural Resources (DNR) with a chronic wasting disease surveillance program by submitting tissue samples from some 5,000 deer harvested from permit areas around the state. None of the approximately 2,750 samples processed so far has tested positive. Tests on the remainder are expected to be completed by mid-February.



Dr. William L. Hartmann, state veterinarian and executive director of the Minnesota Board of Animal Health, presents a briefing on chronic wasting disease to the House Environment and Natural Resources Policy Committee Feb. 4.

"This is a high profile issue that does bring new concerns to the state from all aspects, from agriculture to wildlife management," DNR Deputy Commissioner Mark Holsten told the House Environment and Natural Resources Policy Committee Feb. 4. "Hopefully we will be able to come through this year and make some resolution of these problems."

The committee did not consider any specific chronic wasting disease management bills, but rather reviewed a report commissioned by the 2002 Legislature on measures preventing infection and on methods of harvest, quarantine, or destruction of contaminated herds.

One recommendation would require mandatory registration of all captive deer and elk herds and consolidate those activities under the Minnesota Board of Animal Health. Of the 320 registered game farms in the state, approximately 240 participate in a voluntary chronic wasting disease program.

"Two weeks ago Sunday my wife made elk sausage and sauerkraut and took it to our church potluck," said Donovan Olson, a Windom ranch owner and Minnesota Elk Breeders representative. "I had three little blonde-haired granddaughters over to the house the other night, and they had elk wieners with their macaroni and cheese."

Olson, who voluntarily began testing his herd for chronic wasting disease in 1998, said the elk breeders are looking for one set of standards applied equally among all wild and

ranch deer and elk in the state. They would like to see all elk breeders brought under the Board of Animal Health because of their established methods of testing.

"I took the liberty of commenting on my family's personal eating habits because we test all of our animals," Olson said, and his business relies on product respectability.

According to the report, the Board of Animal Health would need an estimated \$600,000 in additional annual funding to beef up chronic wasting disease surveillance and registration efforts.

The report also recommends that wild deer feeding be restricted to reduce the potential spread of disease among deer artificially brought together.

"Recreational deer feeding and bird feeding in Minnesota are extremely popular," said Mike DonCarlos, a DNR wildlife research manager. "We're going to be working to try to balance that, yet at the same time restrict people from going out and feeding large quantities of food and concentrating the deer."

★ HEALTH

HMO executive pay

Calling the compensation packages of some Minnesota Health Maintenance Organization (HMO) executives "egregious and luxurious," Rep. Tony Sertich (DFL-Chisholm) presented a bill to the House Health and Human Services Policy Committee Feb. 5 that would require a more thorough disclosure of benefits those executives receive.

The bill (HF134) would require HMOs to file annual reports about their 20 highest-paid employees, provided those employees make more than \$50,000 a year. In addition to a person's name and job title, the reports would have to state a person's total compensation including salary, fringe benefits, rights to future compensation, vehicle allowances, bonuses, and severance payments. Reports about travel expenses paid for by the company would also be required. The reports would be submitted to the attorney general and commissioners of health and commerce.

The committee approved the bill. It now moves to the full House for consideration.

HMOs, which are required by law to be non-profit organizations in Minnesota, are among a larger group of health organizations already required to file similar reports about their five highest-paid employees.

Sertich said his bill is a way to "shine the light in" on the compensation practices of HMOs. It stemmed from recent findings that some top HMO board members and

executives received excessive travel benefits and large severance packages from their companies.

"When health care costs are rising," Sertich said, "this is coming out of somebody's pocketbook."

Some committee members suggested the 20-employee requirement could allow the public too close a look at compensation packages of some regular employees, especially at small HMOs. "We ought to be looking strictly at executives," said Rep. Thomas Huntley (DFL-Duluth). Sertich said he was open to changing his bill to focus more tightly on executives.

The bill currently has no official Senate companion.

Collection information

One of two bills that would curb the power of the Minnesota Department of Health to collect certain patient medical information was approved by the House Health and Human Services Policy Committee Feb. 3.

Sponsored by Rep. Marty Seifert, (R-Marshall) HF162 would make legislative approval the last required step in enacting a set of rules to collect certain pieces of medical billing data and patient demographic information from hospitals and insurance companies in Minnesota.

The rules are designed to create a database of information used to research trends in medical costs and practices statewide. The department currently has authority to put the rules into effect unless the governor vetoes them. That task fell to former-Gov. Jesse Ventura who allowed the rules to proceed, but department officials say Gov. Tim Pawlenty has requested a chance to review them before they become effective.

The bill only requires such legislative approval for the specific set of health department rules in question.

The bill next goes to the House Governmental Operations and Veterans Affairs Policy Committee. A Senate companion (SF145), sponsored by Sen. Bill Belanger (R-Bloomington), awaits committee action.

A bill sponsored by Rep. Bill Haas (R-Champlin) would go further in limiting the department's power by repealing the sections of Minnesota law authorizing collection of the data in the rules. Those sections give the commissioner of health the authority to collect information needed to determine trends in access, quality, use, and cost of health care services within the state.

Some committee members worried the Haas bill (HF297) was too wide reaching in the sections it would repeal.

While opponents of the proposed rules

expressed concern about the amount of personal, identifying information the state would collect, Rep. Fran Bradley (R-Rochester) said many of the sections Haas' bill would repeal have nothing to do with that type of information and are likely being used for productive purposes.

The committee requested more information about how the Department of Health currently uses the sections of law that would be repealed by the bill and delayed consideration of the bill until that information is received.

HIGHER EDUCATION



Doing more with less

Enrollment is at an all-time high in the Minnesota State Colleges and Universities (MnSCU) system, but funding is not keeping pace.

"We have had an 8 to 9 percent increase in enrollment each of the past two years," Chancellor James McCormick told the House Higher Education Finance Committee Feb. 5. "All indices show that we are producing more with less."

That may have to continue.

McCormick said enrollment growth is expected to continue and that officials are trying not to close admissions at some colleges and universities, but may have to. "I anticipate we'll be at capacity by September."

McCormick said the state appropriation per student has decreased from \$5,148 in 1999 to \$4,755 in 2003. He also noted that the state appropriation per student covered 70 percent of educational costs in 1999 and is now at 61 percent. "So students are paying a greater share as money from the state declines," he said.

The enrollment growth has also meant less spending per student, according to MnSCU officials, who say the state appropriation per full-year equivalent student will decrease by 4 percent in fiscal year 2003, assuming the system's appropriation is cut by \$25 million in the budget-balancing bill. The state appropriation per full-year equivalent student decreased 2 percent in fiscal year 2002, after increasing by 1 percent in fiscal year 2001.

To put less stress on student learning, MnSCU officials have tried to keep classroom spending at the same level by cutting from everywhere else, said Laura King, MnSCU vice chancellor for finance.

Also becoming more of a worry to MnSCU officials is the cost of tuition versus that of Minnesota's four neighboring states.

At the state university level, Minnesota is in the middle of the pack with tuition of \$3,788 annually, behind South Dakota and Iowa, which is tops at \$4,188. At the two-year state college level, Minnesota tops the list at \$3,040,

\$372 greater than second-place Iowa.

"This is a concern as the other states are our competitors and we have many campuses near the border," McCormick said, adding that once you lose students to another state it's hard to get them back. He said 81.7 percent of the 2001 MnSCU graduates stayed in the state once they received their diploma.

INSURANCE



Ensuring coverage exists

Theodore McLaughlin of Brooklyn Center cannot forget Dec. 7, 2000. On that day he returned home to find his house was nothing more than charred wood and ash.

His horror grew when he learned that his homeowner's insurance had been canceled five months prior. His insurance company said his mortgage company never made the payments from McLaughlin's escrow account.

"I asked them how in the world they could cancel my house insurance without notifying me," McLaughlin said Jan. 30 before the House Commerce, Jobs, and Economic Development Policy Committee.

Nine days later, after many frustrating attempts to settle the matter, McLaughlin had proof he had made the payment. The mortgage bank found his canceled check and showed it to the insurance company, proving that the policy had been cancelled in error.

"Those flat out were the worst nine days of my life," McLaughlin said.

McLaughlin took his story to Rep. Debra Hilstrom (DFL-Brooklyn Center). She in turn sponsored a bill (HF180) requiring insurance companies to notify policyholders by certified return receipt mail prior to cancellation due to non-payment from a mortgage escrow server.

While some representatives were in favor of the bill, many had questions about its language and details. Others, however, expressed outright opposition.

Rep. Tim Wilkin (R-Eagan), a former insurance writer, said current law already mandates notification, a detail confirmed by a House researcher.

"So I don't know what we're accomplishing here with this bill," Wilkin said. "The requirements are already in law; we're just adding expense."

Hilstrom said she is willing to work with insurance companies who are concerned about increased premium costs. "However, I really do think that you would want to know if your homeowner's insurance had not been paid through your escrow account, and this is one way to attempt to make sure that that happens."

Testifying against the bill were Robyn

Rowen, representing the Insurance Federation of Minnesota, and Marcus Marsh, representing the Minnesota Association of Farm Mutual Insurance Companies.

The committee did not act on the bill. It may be revisited following additional work on its finer details.

A companion bill (SF157), sponsored by Sen. Linda Scheid (DFL-Brooklyn Park) awaits committee action in the Senate.

Homeowner insurance options

A law requiring that homeowners be informed of a Minnesota state insurance plan when their homeowner's insurance policies are canceled would be clarified, under a bill reviewed Jan. 30.

Sponsored by Rep. Tony Sertich (DFL-Chisholm), HF203 was approved by the House Commerce, Jobs, and Economic Development Policy Committee and referred to the House floor. It has no Senate companion.

The bill largely clarifies the law as it now stands. It would change the name of the state plan from the Minnesota property insurance placement facility to Minnesota FAIR Plan. FAIR stands for "fire and related insurance."

The plan is overseen by the Department of Commerce, which concurs with the changes made in the bill, according to Sertich.

"Overall, this brings into agreement the law with our most recent amendments to our plan of operation that were approved by the department on Dec. 17," said Daniel Johnson, executive director of the insurance program.

The state insurance plan, established by the Legislature, provides limited property insurance when individuals are unable to get insurance from the private market.

According to the department, the program's policies are not as desirable or as affordable as private insurance company plans. Minnesota residential and commercial property owners who have been unable to obtain property insurance are eligible for coverage, provided the property meets minimum requirements.

The program is financed through premiums paid by customers, Johnson said. When shortfalls arise, the plan's member insurance companies are assessed a fee according to their share of the market.

Johnson said the bill would also change the requirements for and terms of the program's board members. It would also clarify how rates are set by the department, how commissions are paid to agents, and how written premiums are used to determine the insurance assessment base. Finally, the bill would allow rejection of coverage without property inspection if the rejection were not related to the property's condition.

LAW



Definition changes

From time to time, the Minnesota Bar Association appoints committees to conduct reviews of state law and recommend additions or changes. Such a committee was appointed in 2001 and consulted with lawyers, judges and other experts to examine laws governing guardianship of children and incapacitated adults. The recommendations of that committee were presented in a bill before the House Civil Law Committee Feb. 5.

Sponsored by Rep. Paul Thissen (DFL-Mpls), HF166 would repeal and replace dozens of sections of existing state law. It was approved by the committee and now goes to the House floor.

Thissen said the bill makes some substantial changes to close loopholes and clarify some legal processes.

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

The bill allows the court to appoint a guardian for a child with parents' consent or if the parents' rights have been terminated or they are unable or unwilling to exercise their rights. It would specify 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, would be entitled to "reasonable compensation" and would 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 allows 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. It would also give them the ability to limit the powers of the guardians they appoint.

Another new aspect provided in the bill would be a list of priorities judges use when appointing a guardian for an incapacitated person. Those priorities are, in order, 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, and an adult with whom the person resided for six months.

The bill also specifies that an incapacitated person does not lose his or her right to vote unless the court expressly takes it away.

A Senate companion bill (SF112), sponsored by Sen. Don Betzold (DFL-Fridley), awaits committee action.

Pet trust funds

Minnesotans could set up trust funds for their pets under a bill approved by the House Civil Law Committee Feb. 4.

Rep. Eric Lipman (R-Lake Elmo), the sponsor of HF169, said it is meant to "fill in the gaps" of Minnesota's trust law and includes a number of provisions to place current practices in permanent law and simplify existing statutes.

A trust created for pets would last for a maximum of 21 years and could include the appointment of someone to care for the animal, under the bill. If a court determines the amount of money or property left to the trust is more than is needed to care for the animal and no other use for it is specified in the trust, the excess is transferred to the grantor's heirs as if there had been no will.

A separate provision governs the creation of the type of community memorial funds typically set up in response to a personal tragedy, such as deaths in a flood or fire. While many such funds exist, there is no current law specifically governing how they are run. The bill puts them under the governance of the Minnesota Uniform Custodial Trust Act, which requires that fund money be used for its intended benefits.

The bill would also allow for trustees and beneficiaries of any trust to enter into binding nonjudicial settlements about certain matters, taking the burden off of courts. Such settlements may be reached regarding the approval of a trustee's accounting, the compensation or resignation of a trustee, changing the location of a trust, and terminating a trust when its remaining funds are too low to continue serving its purpose, under the bill.

The bill now moves to the House floor.

A companion bill in the Senate (SF116) sponsored by Sen. David Knutson (R-Burnsville), awaits committee action.

METRO AFFAIRS



Light-rail deadline: April 2004

The Hiawatha Light-Rail Transit project is moving forward and should be ready to begin operation in April 2004, officials told a House committee Feb. 4.

The House Transportation Finance Committee was given a tour of the project by Metropolitan Council transit officials. The Hiawatha line extends nearly 12 miles with 17 stations from downtown Minneapolis to the Minneapolis-St. Paul International Airport and the Mall of America along Hiawatha Avenue.

Officials expect delivery of the first light-rail car in mid-March of 2003, with others to follow. Metro Transit, which will operate the



The House Transportation Finance Committee tours the maintenance operations center for the Hiawatha Light-Rail Transit project Feb. 4. Scheduled to begin operation in April 2004, the system will travel nearly 12 miles between downtown Minneapolis and the Mall of America.

system, will purchase a total of 26 cars, and each train will operate with two cars. In addition, two cars will be used when other cars need to be maintained.

Following delivery of the first car, officials will begin four to six weeks of static testing, followed by six months of system testing on the finished rail lines. The trains are scheduled to begin revenue service from downtown Minneapolis to Fort Snelling in April 2004, said Joe Marie, director of rail operations for the project. The line is to be fully operational to the Mall of America in December 2004.

The project's construction budget is \$675.4 million. The projected operations budget for 2005 is \$16.6 million.

Marie said that staff for the operation of the line will begin hiring and training during final stages of testing. He estimated that the new staff will require six weeks of training. Operators will be drawn from bus transit operations, Marie said, and staff will be hired only as they are needed.

The line's maintenance facility, located south of Interstate 94 along Hiawatha Ave. in south Minneapolis, is complete. Nearly 50,000 square feet, the facility is equipped to perform all maintenance for the line, with the exception of when cars will need significant overhaul, Marie said. In addition, it can house cars overnight when the line is dormant.

Marie also indicated the facility could handle maintenance for one additional line if the rail system is expanded in the future.

The rail car modular design is intended to minimize the need for cars to be out of service for long periods of time, Marie said, and

75 percent to 80 percent of maintenance will be preventive. Cars will be evaluated at 5,000 miles, 10,000 miles, and again each year. Marie estimated each car will travel 85,000 miles and have a usable life of 35 years.

"We cannot have cars down for a significant amount of time," Marie said. "You need to catch problems before they happen."

★ RECREATION



Making a play for funding

With more potential cuts to their budget looming, representatives of the Minnesota Amateur Sports Commission stated their case Feb. 4.

"We'd like to remind you that we have a positive impact on the state," Paul Erickson, the commission's executive director told the House State Government Finance Committee. "This system brings in dollars, and you will see a net reduction if we have to cut staff."

The seven full-time commission employees help create and manage sports events and bid for major national and international sports events, Erickson said, thereby creating revenue.

Erickson said that a study by the Analysis and Evaluation Office of the Minnesota Department of Trade and Economic Development showed that tournament visitors from other states contributed \$3.45 million in new tax revenue to the state in 2002 and generated \$1.25 million in local taxes. Additionally, he said, commission programs produced \$56.9 million in economic impact, activity that produced 830 jobs.

"This impact is no different than other

tourism," he said. "They all spend money at hotels, restaurants, and shops."

By far, the largest event is the annual Schwan's USA Cup Soccer Tournament at the National Sports Center in Blaine. Erickson said that last year the tournament drew 15,000 out-of-state visitors whose spending created more than \$15 million in local impact.

"This is probably the largest annual tourism event in Minnesota," Erickson said. "We'll continue to make it bigger and better every year."

Erickson said other recent big events include the All American Girls and Women's Hockey Tournament which had an economic impact from state visitors of \$1.26 million in 2000, and the Ice Skating Institute Championships where more than 24,000 figure skaters, coaches, and spectators visited the state in 2000, bringing in more than \$3.5 million in economic impact. The event is scheduled to return in 2004.

The commission has an appropriation of \$618,915 for fiscal year 2003. "Our programs generate more than five times as much direct tax revenue as the agency costs," said Tom Duffy, the commission chair.

Erickson said the agency submitted a plan in October to save \$62,000, including reductions in salaries, supplies, and equipment, but the House and Senate budget reductions plan for the current fiscal year call for another \$25,000 cut and Gov. Tim Pawlenty's plan is almost that much. Erickson said the agency has not finalized plans for additional cuts.

The committee took no action at the hearing, but it will consider all state government appropriations in the coming months.

★ SAFETY



New dispatch center tour

State public safety and transportation officials are putting together the final preparations to open a new integrated dispatch center for the Twin Cities metropolitan area.

Officials displayed the nearly complete center to members of the House Transportation Policy Committee Feb. 5 during a tour of the Department of Transportation's Waters Edge building in Roseville.

The communications center would integrate three dispatch functions handled by the two departments: State Patrol, traffic management, and MnDOT maintenance, such as snowplows and sanding trucks.

Currently, Transportation Department maintenance and State Patrol dispatchers are located in smaller rooms in the Waters Edge building. Traffic management is located in Minneapolis, but with upcoming expansion in the eastern metropolitan area, the Minneapolis facility

★ TOURISM

History Center tour

The House Jobs and Economic Development Finance Committee was welcomed at the Minnesota History Center Feb. 5.

The 13-member committee toured the center to better understand the organization and its facilities. The committee establishes the state's portion of the biennial budget for the Minnesota Historical Society. The 427,000-square-foot center opened in 1992 through \$55 million in public funds and \$16 million in private money.

The historical society, which oversees the history center and 32 historic sites throughout the state, was given a \$53.5 million budget for the 2002-03 biennium. However, due to the 2003 budget shortfall, the jobs committee reduced the historical society's budget by \$1.6 million. Officials expect that the 2004-05 budget will also be reduced.

Of particular interest to the legislators was a highly coveted Civil War flag, which remains a subject of debate. Riddled with bullet holes and stained in soldiers' blood, the flag was captured on the third day of the Battle of Gettysburg. Rep. Tim Mahoney (DFL-St. Paul), a self-proclaimed Civil War buff, said it is the only battle flag that made it across the union line.

Historical Society Director Nina Archabal said records show the State of Minnesota gained legal title to the flag in 1928. However, various groups in Virginia claim the flag belongs to their state. The matter worked its way through the Minnesota court system and is now in the Virginia courts.



Maureen Jensen, project director for the state Transportation Department, shows members of the House Transportation Policy Committee the soon-to-be opened integrated public safety/transportation management dispatch center in Roseville during a Feb. 5 tour.

cannot accommodate expansion, said Maureen Jensen, director of the project.

The new facility utilizes unallocated office space in a portion of the Waters Edge building. Its design includes several banks of televisions that rotate through the 240 traffic management cameras located throughout the Twin Cities metropolitan area. In addition, dispatchers will have access to system maps tracking overall congestion on the freeway system via messages from 3,500 detection devices that measure traffic and congestion levels.

Jensen said that the department had planned on combining the traffic management center and approached the Public Safety Department to see if they could work together to combine all the dispatch centers.

"What we really need to do is integrate our operations," Jensen told the committee.

The State Patrol dispatchers in the center serve nine counties in the metropolitan area: Anoka, Carver, Chisago, Dakota, Hennepin, Isanti, Ramsey, Scott, and Washington. There are nine other dispatch centers throughout the state.

However, the metro dispatchers are the only ones that have computer-assisted dispatching. Col. Anne Beers, state patrol chief, said it's the first leg of developing a statewide system for computer dispatch.

The largest volume of calls for metro dispatchers come from cellular phone calls. Until recently, all cellular phone 911 calls came to the State Patrol dispatchers. In 2002, the center received nearly 600,000 calls, an average of one every 53.5 seconds.

In addition, the center receives calls from county dispatch centers for incidents that require State Patrol attention.

With the new integrated center, all dispatchers and traffic managers will have better access to information about congestion and incidents on the metropolitan freeway system. State Patrol Captain Michelle Tuchner, who oversees the dispatch center, said dispatchers use the traffic management cameras to identify problems on the roadways and help all three agencies better identify ways to respond to incidents and alleviate congestion.

The new center is set to open in late February. Originally estimated to cost \$22 million, Jensen said the project will actually cost about \$17 million — \$5 million under budget.



Members of the House Jobs and Economic Development Finance Committee get a close look at Civil War era drums in the three-dimensional conservation lab during a Feb. 5 tour of the Minnesota History Center. Among those looking are, from left Jim Peterson, the historical society legislative liaison, Committee Administrator Erik Aamoth, Rep. Karen Clark, Rep. Dan Severson, and Rep. Tim Mahoney.

Most recently, the U.S. Army History Department asked that the flag be returned to Virginia for display in a new facility opening there in 2009. Keeping the flag in Minnesota may require help from the Legislature, said Deputy Director Ian Stewart.

"If you want to talk about a piece of Minnesota patrimony, this is it," Archabal said.

The flag, which is typically in protective storage, is scheduled for public display in March.

Around 300,000 people visit the history center each year, one-third of whom are school children. An additional 1.5 million people have visited the historical society's Web site.

According to December 2002 figures, the historical society employs the equivalent of nearly 250 full-time employees and 236 part-time and seasonal workers.

★ TRANSPORTATION

Consultant contract clarification

Members of the House Transportation Finance Committee revisited the issue of consultant contract use in the state Department of Transportation at its Feb. 5 meeting.

Assistant Commissioner Dick Stehr, director of the department's program support group, testified that the department initiates about 3,200 consultant contracts per year. Of those contracts, one-third are for professional/technical services, intellectual in nature, and the remainder are experts for specific projects.

Stehr explained that consultant contracts may have increased in recent years due to a one-time influx of transportation funds approved during the 2000 legislative session. He said that the project level has increased, but the department's complement of full-time employees has not, so it has resorted to outside consultants to handle the workload.

With regard to the number of amendments

to initial contracts, Stehr said that those crop up during the planning and design stages of a project. As a project develops, planners discover issues that the project must address.

"We often get into supplementing contracts to deal with these discoveries," Stehr said. He added that staff would rather write a tight, focused contract at the beginning of a project and amend it to reflect the changes than to write a broad contract at the beginning that wouldn't require specific amendments.

Stehr also said that there is a review and audit process that goes along with each contract. A portion of payment is withheld until each project meets a satisfactory level of completion. In addition, paperwork such as timesheets must be submitted to verify that work has been completed.

In information submitted to the committee, Stehr included a list that breaks down consultant expenditures by percentage. Though Stehr did not include how much money has been spent on consultants, the breakdown indicates that the department uses consultants primarily for various stages of project design.

A different chart indicates that certain functions are exclusively handled by contractors outside the department rather than by department employees. Those include inspecting critical bridge fractures, aerial photography, and contaminated properties.

Several members, including Rep. Alice Hausman (DFL-St. Paul) and Rep. Mary Liz Holberg (R-Lakeville) were concerned that they didn't understand what impact the numbers Stehr presented have on the department's bottom line.

Rep. Paul Thissen (DFL-Mpls) asked if the department had compared specific costs of contractors performing work with how much it would cost an existing department employee to do the same work. Stehr said that has been done in some cases, but certain items, such as

building and infrastructure costs, are not typically evaluated for department employees, which makes a true comparison difficult.

Members agreed they needed more specific information to get a clear picture of consultant use.

"It seems to me we need to find a different way to do business," said Rep. William Kuisle (R-Rochester), chair of the committee. "It does seem on the surface that we're wasting money on this, and maybe a lot of money."

The committee took no action at the meeting.



NOTES

When he sat down before the Legislative Advisory Commission Feb. 5, Gov. Tim Pawlenty saw a Reese's peanut butter cup on the table and asked if it was for him.

"I was not aware that it was there," said State Finance Commissioner Dan McElroy, the meeting chair. "Do we need to have your food tester determine it is not..."

Pawlenty interrupted to say, "That's what we have Weaver for," a reference to Charlie Weaver, his chief of staff and former commissioner of public safety.

Once the laughter subsided, Senate Majority Leader John Hottinger (DFL-St. Peter) then asked if the administration has a position about a Reese's peanut butter cup being considered junk food. Again more laughter was heard.

Part of Pawlenty's proposed state welfare reform plan includes limiting the purchase of junk food for families receiving assistance.

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A different way to pay

Alternative teacher compensation pilot projects get mixed review from educators, expansion unlikely with budget strain

By TOM LONERGAN

A negotiated professional pay system for teachers has taken trial steps in Minnesota, with mixed evidence thus far.

Three school districts — Minneapolis, the state's largest, Marshall, and La Crescent-Hokah — which have test piloted the concept, were the focus of a Jan. 30 meeting on alternative teacher compensation, sponsored by the Association of Metropolitan School Districts.

The audience included members of the House Education Policy and Education Finance committees. Gov. Tim Pawlenty and Cheri Pierson Yecke, the state's education commissioner, addressed the gathering of school administrators and teachers.

The Department of Children, Families and Learning selected the three districts, as well as

\$5.1 million of that amount for Minneapolis. State law required that teachers be involved in the process and provided options for all or at least 25 percent of a district's teachers to be covered by alternative pay systems.

An estimated 1,800 of 4,700 Minneapolis public school teachers chose to participate in the district's professional pay plan, which district officials and the teachers' union have been developing for the past six years. All teachers in the La Crescent-Hokah and Marshall districts are covered by alternative compensation plans, following votes to allow their respective unions to negotiate the details.

Minneapolis and Marshall school officials reported that the new pay structures are working well so far in their respective districts, but La Crescent-Hokah teachers have struggled with classroom evaluations.

"The single thing school districts can control is the quality of teaching," said Carol Johnson, Minneapolis school superintendent. Three-quarters of the district's teachers have less than 10 years experience. The professional pay plan's incentives are attractive to younger teachers, Johnson said, because it allows quicker salary increases than the conventional contract.

The plan rewards teachers for improving instruction. Rather than basing teacher pay primarily on years of ser-

vice, the Minneapolis plan is based on the teacher acquiring skills and content knowledge, balanced with district-directed professional development. Teachers in the plan can receive one-time "award" payments or can increase their base pay through additional college credits, degrees, and certification.

Louise Sundin, president of the Minneapolis Federation of Teachers, said the new compensation structure took school officials and teachers "where no school districts and no unions have

gone before." Younger teachers, Sundin said, "have different belief systems about careers, learning, and being a teacher," than their older colleagues. "If we don't address that, we will lose them," she said.

For Marshall's 185 teachers, the alternative pay system has evolved through two contracts and four years of ongoing discussions. It bases compensation on four categories: career commitment, leadership, professional development, and educational excellence accountability.

"There was a lot of listening and there was change," said Superintendent Tom Tapper. The district and Marshall Education Association have adopted a "continuous improvement" approach towards the contract.

"The union really took some risks to do some things differently," said chief negotiator Wayne Ivers. "We didn't want our compensation based on (students') test scores." The teachers focused on their professional improvement, as well as curriculum changes to improve instruction.

In the La Crescent-Hokah district, the school board directed Superintendent Connie Hayes to design a performance pay structure for the system's 105 teachers when she was hired five years ago. The district and teachers' union have developed a structure through four contracts that reduced the salary schedule from 30 steps to 11, recognized teacher development, and established an evaluation system. The latter has been somewhat controversial, said John McCune, a high school English teacher.

Relationships between teachers and evaluators have been strained, he said, particularly where classroom observation is the basis for an evaluation. "When an evaluator comes into your classroom," McCune said, "you don't always remember the conclusion, but you remember what was said." A failed levy referendum and uncertainty over state aid has also affected teacher morale in the 1,700-student district, which is considering budget cuts.

With the state facing its own budget crisis, expansion of alternative compensation plans in other districts is unlikely, said Rep. Alice Seagren (R-Bloomington), sponsor of the legislation that established the pilot plans, and chair of the House Education Finance committee. Continuation of the existing pilots during the 2004-05 biennium is likely, she said, if the districts "demonstrate they will be going forward."


Pawlenty called alternative compensation a "reform possibility," but said the state could not provide additional money for it. 



PHOTO BY ANDREW VON BANK

Three districts have tested alternative teacher compensation plans, but future expansion may be limited due to budget constraints.

Floodwood and Rushford-Peterson, as a result of a 2001 state law that offered districts additional state aid to improve teacher, student, and school performance. District plans were required to include a "restructured teacher compensation system" that replaced the step-and-lane salary schedule in teacher contracts and offered teachers incentives to better their knowledge and skills.

During the 2002-03 biennium, the state provided the five districts \$6.7 million to implement the new compensation structure, with

In their blood

16 legislators have a family connection to previous members of the House and Senate

BY TOM LONERGAN

Following their parent's path wasn't exactly on the future agenda for a couple of first-year House members when as children, they watched their legislator fathers head for St. Paul.

Rep. Katie Sieben (DFL-Newport) was 5 years old when her father, Michael Sieben, finished five terms in the House in 1982. Rep. Kent Eken (DFL-Twin Valley) remembered when he was 6, "running around the Capitol tunnels," while his dad, Willis Eken, a House member from 1971-84, tended to business.

Family connections in the Minnesota Legislature are not unusual. Considering generation-to-generation, siblings, spouses, and extended families – even a first cousin once removed – there are 11 current members of the House and five in the Senate with family legislative ties, according to the Legislative Reference Library.

Rep. Howard Swenson (R-Nicollet) and Rep. Barb Sykora (R-Excelsior) are two veteran House members who also grew up with political issues flavoring family discussions.

Swenson, serving his fifth term, traces his legislative lineage back to his great-grandfather, Swen Swenson (House 1887), who emigrated to the U.S. from Norway in 1857. The farm his great-grandfather established in Nicollet is run today by Howard Swenson's son.

"I guess I had an early interest and knowledge of the state," Swenson said. "My grandfather was in the Senate during the years I was growing up." Oscar A. Swenson served in the

Senate from 1937-49 and in the House in 1913, from 1915-29, and in 1931.

Sykora's father, John Zwach, served in the Legislature for 30 years (House, 1935-46 and Senate, 1946-66) and was a Congressman from Minnesota for three terms (1966-72).

"You could say I was born into it," said Sykora, serving her fifth term. "I developed an interest in issues and politics at the dinner table."

Generational lines of state legislators trace back to the 19th century. Yet, it apparently took until the third year of the 21st century for one family to have three consecutive generations serve in the House.

Rep. Aaron Peterson (DFL-Madison) sits in the same House seat his father, Doug Peterson (House 1991-2002), and late grandfather, Harry Peterson (House 1965-73), did.

"The carryover of being around people in politics is pretty impressive," said Doug Peterson, who recalled sitting on Hubert H. Humphrey's lap when he was 5. "I didn't campaign for my son," Peterson said. "That's something he had to do on his own. The voters have to know who you are as an individual."

Proud of their roots, the legislators with family ties say they don't believe it gives them an edge over their colleagues, other than perhaps some inside knowledge of the legislative process.

"I came in with some idea about how things worked," said Eken, who teaches, government, economics, and history. "It's helpful, but things have changed since my father served."

"It's nice to have a father that people remember," said Sieben, 25, the youngest current member of the House. "The main result of my dad's



Rep. Oscar A. Swenson



Rep. Doug Swenson



Rep. Howard Swenson

influence is it instilled in me the belief that public service is an honorable profession to be in."

Swenson said he ran for state office after many years of being active in his community, serving on school boards and agriculture-related committees. Asked if he's continuing a family legacy that also included great-uncle Lars Swenson (Senate 1887-89), an uncle, Carl L. Swenson (Senate 1915-17), and a brother, Doug Swenson (1987-97), Swenson said, "I suppose some people would think so."

Sykora, first elected in 1994, four years after her father died, said his influence helped her decide to run for the House. "He always encouraged me to be involved," she said. "I have often thought how nice it would be to have him around to get his advice, but I waited too long."



Rep. Harry Peterson



Rep. Doug Peterson



Rep. Aaron Peterson



Rep. Willis Eken



Rep. Kent Eken



Rep. Ray Cox



Rep. Ron Latz

Among current legislators, the Swensons don't hold the longest family line back in legislative history. That milestone belongs to Sen. Steve Dille (R-Dassel), a former House member from 1987-92. Dille's great-great grandfather, Edward Harrison Hutchins was a state Senator from 1872-75.

The great-grandfather of Rep. Ray Cox (R-Northfield), Edwin Cox, was in the House in 1889.

There's no indication of a current descendant from a legislator that served during the state's first decade in the 1860s or prior years as a territory.



Rep. John Zwach



Rep. Barb Sykora

Legislative family connections

Sen. Ellen Anderson is the wife of Andy Dawkins (House 1987-2002)

Rep. Len Biernat is the son of Ted Biernat (House 1949-57)

Rep. Ray Cox is the great-grandson of Edwin Cox (House 1887)

Rep. Jerry Dempsey is the brother of Terry Dempsey (House 1979-93)

Sen. Steve Dille is the great-great grandson of Edwin Harrison Hutchins (Senate 1872-75), great-nephew of Peter E. Hanson (Senate 1895-99, Secretary of State 1901-07), and great-son-in-law of John R. Bloomquist (House 1947-55)

Rep. Kent Eken is the son of Willis Eken (House 1971-84)

Sen. David Knutson is the son of Howard Knutson (House 1967-73; Senate 1973-90)

Rep. Ron Latz is the son of Robert Latz (House 1959-67)

Rep. Mary Ellen Otremba is the widow of Ken Otremba (House 1995-97)

Rep. Aaron Peterson is the son of Doug Peterson (House 1991-2002) and the grandson of Harry Peterson (House 1965-73)

Rep. Katie Sieben is the daughter of Mike Sieben (House 1973-82) and the niece of Harry Sieben (House 1971-84)

Rep. Nora Slawik is the first cousin once removed of Martin McGowan, Jr. (House 1959-67)

Sen. Yvonne Prettner Solon is the widow of Sam Solon (House 1971-73; Senate 1973-2001)

Rep. Howard Swenson is the brother of Doug Swenson (House 1987-97), nephew of Carl L. Swenson (Senate 1915-17), and grandson of Oscar Swenson (House 1913, 1915-29, and 1931; Senate 1937-49)

Rep. Barb Sykora is the daughter of John Zwach (House 1935-46; Senate 1946-66)

Sen. Jim Vickerman is the first cousin to the husband of Barb Vickerman (House 1993-97)



Rep. Mike Sieben



Rep. Katie Sieben



Rep. Ted Biernat



Rep. Len Biernat

Some photos courtesy of the Secretary of State's Legislative Manual

Prepared for work

Scars from the campaign trail have not dampened McNamara's desire to deliver what Minnesotans expect of their legislators

By MIKE COOK

Early in his inaugural session in the Minnesota House, Rep. Denny McNamara (R-Hastings) asked longer serving members



Rep. Denny McNamara

from both parties why they keep coming back. The answer continues to invigorate him daily.

"They all told me that they feel we can make a difference and I'm excited to be here doing it," he said. With a laugh, he added, "I think I'm starting to comprehend it

and figure it out."

That is especially important this year as the Legislature deals with an intimidating projected budget shortfall. "We need to work together and do what's best," McNamara said. "Most people probably wouldn't want to be a freshman because this isn't the ideal spot to come into having to make a lot of votes, but I think people are expecting us to make tough votes."

McNamara, an assistant majority whip, said he hopes the Legislature will resolve its biggest issue in a timely and orderly fashion, while at the same time give people an opportunity to speak their peace.

"I'm a believer in grassroots politics," he said. "I think people should be able to share their concerns and we should let them know if we think that is not the direction the state should go. I think we should always hear both sides and then make a decision."

Talking to people, McNamara said, was a key in his victory in what was somewhat a battle of names. His main opponent, Jeff Sieben, is the son of a former House speaker, but McNamara has extensive family in the district, including many of his more than 100 first cousins.

However, McNamara said he didn't rely on family connections to win. He relied on a strong work ethic.

"We made an effort to talk to everybody

twice, and everybody in Hastings three times," he said. "To that extent, we got to talk to almost everybody."

McNamara enjoyed meeting district residents, but not all the dogs. He was bitten four times. "I hope I don't add to it or pass it in two years," he said laughing. "My goal will be to get bit less."

To continue hearing constituent concerns, McNamara, a lifelong Hastings resident, plans on holding district listening sessions. "If we can empower everybody to feel they are part of these big decisions to be made, I think it will be easier for them to accept."

As a 25-year, co-owner of a nursery and landscape business, environmental issues are extremely important to McNamara, who sits

water if Mother Nature is giving us rain."

McNamara has known Rep. Dennis Ozment (R-Rosemount), the environment finance chair, for some time because "he's helped our industry on some issues and I've been active in our industry testifying and lobbying." Redistricting also moved Nininger Township from the veteran's district into the newcomer's. "He encouraged me to seek the seat when I was first thinking of running," McNamara said.

Ozment said he did so knowing that McNamara would be successful in St. Paul.

"Denny has been a pillar in his community and he'll be a strong voice for them," Ozment said. "He's straightforward and has a common sense approach. If something is on his mind, he'll say it."

McNamara is not a newcomer to serving in a leadership capacity, having, among other things, been a president of the Hastings Chamber of Commerce and he served 12 years on the city's natural resources and recreation commission.

"Most people probably wouldn't want to be a freshman because this isn't the ideal spot to come into having to make a lot of votes, but I think people are expecting us to make tough votes."

— Rep. Denny McNamara

on both House environment committees, plus higher education finance.

"I'm a different kind of tree hugger because I grow them," he said. "Most environmental issues are nonpartisan issues. Minnesota is the Land of 10,000 Lakes and we need to take care of them. A lot of people want to enjoy them, and we need to make all kinds of different ways for people to enjoy them."

The first bill he plans to sponsor is one vetoed by former Gov. Jesse Ventura four years ago. It would mandate the use of a rain sensor on automatic sprinkler systems that would turn the system off if there were adequate rainfall.

"In a commercial site it could pay for itself with one or two waterings that aren't necessary," he said. The device costs about \$30 for residential systems and maybe a "couple hundred dollars" for commercial ones. "But the bigger issue is we have limited resources of good, clean water. We don't need to use the

During the latter he supported the creation of a skate park in his hometown.

"A group of young adults came forward and wanted this," McNamara said. "The fact that they had purple hair, baggy pants, and earrings didn't mean that they weren't great young adults. We worked together, moved forward and got a great skate park built."

DISTRICT 57B

2002 population: 36,591

Largest city: Cottage Grove

Counties: Dakota, Washington

Location: southeast Twin Cities suburbs

Top Concern: "That our Legislature be a cross section of Minnesota citizens and that we bring our real life experiences and wealth of knowledge to the Capitol to make Minnesota a better place."

— Rep. Denny McNamara

At the plate

Stadium issue got her involved, but transportation is now a key issue for new representative Osterman

By MIRANDA BRYANT

If there's anything that Rep. Lynne Osterman (R-New Hope) understands, it is jobs. She's advocated for them on behalf of



Rep. Lynne Osterman

others, she's competed for them for herself, and in the case of her children, she's dictated them.

To this day she and her husband, Ron, say to their two children, "Your job while you're with us is to learn to grow up and our job is to help you."

The 40-year-old said her new job as a legislator is to reflect the priorities of her constituents in New Hope, and in portions of Plymouth and Crystal. "If I have one thing to do here it is to know that that chair I sit in on the House floor is theirs, not mine," she said. "It sounds canned, but it's not."

It's a job she worked harder than many to get. The St. Cloud State University graduate sought election as a state representative in 1998 and 2000 before achieving victory in 2002.

"I had known I had wanted to run (for office) in college," said Osterman, who admitted she loves campaigning.

What actually catapulted her toward her race, however, was the Twins baseball stadium issue. Sen. Ann Rest (DFL-New Hope), who was a representative at the time, had sponsored a bill authorizing state funding for the stadium. As the mother of two school-age children, Osterman didn't think it was a good priority, she said.

Though Rest proved victorious by 2.4 percent (340 votes) in 1998, Osterman said she continues to respect the legislator, who was later elected to the Senate. "She is one of the brightest persons to have served in the House."

Osterman learned a lot during her three separate campaigns. And the caucus leadership became very aware of the issues she says she finds important, like transportation. Her

district, 45A, is dissected by U.S Highway 169.

As a result, she has co-sponsored a bill aimed at selling \$1 billion in bonds over the next four years for road construction and maintenance. The package would specifically address, among other issues, congested areas and mass transit. Osterman also said she intends to sponsor legislation to expand the Northwest Corridor bus route that reaches into the northwest suburbs from Minneapolis.

"What (this) signifies is our caucus' willingness to move ahead and make a dent in the transportation needs of Minnesota," she said.

Bonding is necessary, Osterman added, to create road construction funds that aren't otherwise available. At the same time, she supports raising the gas tax.

"If I have one thing to do here it is to know that that chair I sit in on the House floor is theirs, not mine."

— Rep. Lynne Osterman

"I, for one, do view the gas tax as a user fee and I would like us to expand funding for roads by seriously considering the gas tax."

Republican House leaders assigned Osterman to the House Commerce, Jobs, and Economic Development Policy; Jobs and Economic Development Finance; and Regulated Industries committees.

"What I know of Lynne is I would see her as a straight shooter, a consensus builder. And she brings some real leadership qualities to the table," said Ken Warner, former president of the St. Cloud Chamber of Commerce.

"She's got a determination like no one else I've met," Warner added. "When she sets her mind to something, she's going to keep going after it."

Given her background, Osterman said she feels well matched to committees dealing with jobs and economic development. Previously, she was: project manager for the Office of Lifework Development at the state's education

department; director of the Partners in Education program for the St. Cloud Chamber of Commerce; and executive director of Manufacturing Technology of Minnesota.

One thing she said she tried to emphasize during her last job was the broad range of occupations that require higher-level math and science skills, including those in the manufacturing industry. She said she discovered that few high school students are choosing manufacturing jobs because the industry is not good at marketing itself. Osterman encouraged teachers to talk about lesser-known jobs, such as fluid power technicians.

Though she supported the committee proposed cuts to groups such as Minnesota Technology, Inc., as part of the overall budget-balancing legislation that passed the House, Osterman said she considers Minnesota Technology Inc., a technology based economic development organization, an "awesome resource."

"They're kind of one of us," Osterman said. "They're on our team."

She finds it strange, she said, that

Minnesota Technology Inc., which helped 1,474 companies in the past two years create high-wage jobs in rural Minnesota, has to lobby for funds before the Legislature.

"I would rather have people get paid to do something they're good at and love and have the government get out of the way ... so that happens for people," she explained.

DISTRICT 45A

2002 population: 36,983

Largest city: Plymouth

Location: western Twin Cities suburbs

County: Hennepin

Top Concern: Traffic congestion is "right in front of us and we deal with it every day."

— Rep. Lynne Osterman

All in the family

Latest Peterson makes it a hat trick for representing a large portion of southwest Minnesota

BY TOM LONERGAN

Like grandfather, like father, like son.

Rep. Aaron Peterson (DFL-Madison) made Minnesota legislative history by becoming the third generation from the same family to serve in the House when he was sworn in Jan. 7.



Rep. Aaron Peterson

from the same family to serve in the House when he was sworn in Jan. 7.

The 32-year-old succeeded his father, Doug, who served six terms before not seeking reelection after becoming president of the Minnesota Farmers Union, in representing the five-county district that borders South Dakota. Aaron's grandfather, the late Harry Peterson, served in the House from 1965-1973.

Peterson grew up on the farm his family has owned since the 1930s. The 300 farming acres the family still owns are rented to neighbors to grow corn and soybeans.

"He's (Aaron) always been around politics since Grandpa Harry," said Doug Peterson. "That makes an impression on you as a young person." He described a photo from the early 1970s of 18-month-old Aaron "sitting in my father's chair on the House floor."

"My dad represented District 20A. I represented 20A when I started (1991) and now (following 2002 redistricting) it's again 20A," Doug Peterson said. The district was 13B following redistricting in 1992.

Aaron Peterson said his "*de facto* involvement" in politics began "before I could walk. I remember going to Gov. (Wendell) Anderson's office when I was a little kid," he said, "and seeing all those serious men in suits." Peterson says such early exposure to politics through the family is not unusual among state legislators.

His more recent involvement included working in Washington D.C. for U.S. Rep. James Oberstar, former U.S. Rep. David Minge, and for the Minnesota Senate in 1997-98.

A field representative for Prairie Land Management, Inc., Peterson can recite a list of facts and characteristics about his home district

without much prompting. The nearly 2 million acres in District 20A represents 4 percent of the state's land, and its density rate is 12 people per square mile.

"Agriculture is our base," Peterson said. "It's as important to us as taconite is up north. Without agriculture, we'd be without a paddle."

Half of the state's energy-generating wind turbines are in his district, Peterson said, as well as the state's first power-generating plant to burn turkey litter. Located in Benson, the \$110 million plant — partially financed by municipal loans and bonds — will produce 55 megawatts of power to service 60,000 homes in the area.

"Renewable energy and fuel produced in

I remember going to Gov. (Wendell) Anderson's office when I was a little kid," he said, "and seeing all those serious men in suits."

— Rep. Aaron Peterson

rural Minnesota are centered in my district," Peterson said. Economic development and value-added agricultural initiatives, such as state investment in biodiesel expansion and ethanol production credits, are among Peterson's legislative priorities. Promoting rural infrastructure development — especially telecommunications — is key to long-term economic opportunity, he added.

"You can get a pizza delivered 20 miles one way (in his district), but you can't get high-speed Internet," Peterson said, noting holes in coverage throughout Greater Minnesota. "So what's the priority?"

Without long-term improvements in telecommunications, roads, and rural-based energy development, Peterson said, "no one will stay in or relocate to rural Minnesota." Maintaining local government assistance is also a legislative priority for him. "Our small cities with low property tax bases are hard-pressed to maintain services," he said.

His committee assignments include the House Agriculture Policy, Agricultural and Rural Development Finance, Environment and Natural Resources Policy, and

Transportation Finance committees.

Peterson, a road biker, fly fisherman, and canoeist, is an enthusiastic promoter of rural Minnesota's recreation attractions, especially its lakes and trails for summer and winter outdoor recreation vehicles. "It generates a lot of income for our service sector," he said. "We're big on personal fulfillment and enjoying the land. But there needs to be jobs, too."

Since many rural issues are affected by federal legislation, Peterson said he believes his experience in Washington, D.C., and career background in conservation-based land use has prepared him well for the Legislature.

During 2000, as a legislative assistant to Minge, he helped organize a local, state, and federal coalition to protect the Minnesota River and improve its water quality through the federal Conservation Reserve Enhancement Program. The state received \$250 million through the program to retire 100,000 acres of flood-prone farmland (less than 1 percent of farmland) along the river basin. Farmers were paid for the land they took out

of production.

Of working with Oberstar, now in his 15th term representing the state's Eighth Congressional District including the Iron Range, Peterson said, "I learned a lot about trade and really learned what seniority means in the legislative process."

While Peterson hopes there's "not a lot of stalling" during the legislative session, because of the looming budget deficit he predicts, "there will be some because no one wants to get cut."

DISTRICT 20A

2002 population: 36,641

Largest city: Benson

Counties: Big Stone, Lac qui Parle, Lincoln, Swift, and Yellow Medicine

Location: southwest Minnesota

Top concerns: "My goal is to keep (District) 20A connected, functioning and viable in the state's economy. Minnesota cannot afford separate urban versus rural economies. I've seen it go that way."

— Rep. Aaron Peterson

The challenge ahead

Pawlenty outlines agenda for education, employment, health care, and transportation in State of the State address

By MIRANDA BRYANT

With an unresolved budget shortage demanding swift attention and a potential war brewing overseas, Gov. Tim Pawlenty gave his first State of the State address Feb. 6.

Calling the \$4.5 billion projected shortfall the “Incredible Hulk” of budget deficits, Pawlenty focused on the financial crisis during his 35-minute speech. Not forgotten were education, jobs, public safety, transportation, and health care.

In the month since he’s taken office, the governor has made it clear that he won’t raise taxes to fill the empty state coffers, a point he made several times during his speech.

“The deficit we face is caused by spending too much, not by taxing too little,” Pawlenty said, to what would be one round of applause among the 32 rounds his speech drew.

The governor said Minnesota’s state revenues are projected to grow by 6.6 percent, a “normal” rate for modern times. But, he said, government spending is “out of control” and if left unchecked will rise by 14.4 percent in the 2004-05 budget biennium.

“I don’t know many Minnesotans whose paychecks are growing by 14.4 percent,” he said.

Despite reductions, the governor’s 2004-05 proposed budget, which Pawlenty must release by Feb. 18, will increase government spending overall and leave Minnesota as one of the biggest government spenders in the nation, he said. This information is not being told to the public by budget reduction naysayers, he added.

Addressing the Republican-controlled House – a body that until last year he was a member of as a state representative – along with the DFL-controlled Senate, Pawlenty laid out a plan beyond the budget crisis, starting with education.

Minnesota once led the charge on



PHOTO BY TOM OLMSCHIED

Gov. Tim Pawlenty returned to the House chamber, where he spent 10 years as a member — the last four as House Majority Leader — to deliver his State of the State address Feb. 6. House Speaker Steve Sviggum looks on in the background.

innovation in education. But the system has gone awry, he indicated.

The plan starts, he said, by changing the name of the Department of Children, Families and Learning to the Minnesota Department of Education, an announcement Republicans met with hearty clapping and DFLers with lukewarm applause. The plan continues by abolishing the Profile of Learning, the oft-criticized grade-level learning standards.

The neediest children must not be left behind, Pawlenty said. Educators and legislators need to be more creative in meeting their needs. And

parents must ensure their children get a good night’s rest and arrive at school well fed.

“And when our children return home, both they and their parents need to understand that homework and tutoring by parents is more important than American Idol, WWE, DVDs, or getting to the next level on the Grand Theft Auto video game.”

The plan finishes with changing the way teachers are paid to a performance-based system, and with revamping school funding, the governor said.

School finance experts and interested individuals will meet in coming weeks to redesign the school funding formula. Recommendations will be given to the Legislature, which will then be asked to authorize new funding strategies at a dozen demonstration schools. Whichever method is best should then be adopted statewide, Pawlenty said.

“Better schools are the ticket to opportunity and a better quality of life for future Minnesotans,” said the governor.

To spark economic growth Pawlenty called on senators and representatives to approve his tax-free zone plan, which he calls Job Opportunity Building Zones, or JOBZ.

If passed, businesses in the tax-free zones would forgo sales, income, and property taxes for up to 10 years, and individual property owners would be exempt from property or individual incomes taxes. Investors would also not pay business income and capital gains taxes on relative investments.

Pawlenty introduced the tax-free zone legislation as a state representative during the last biennial session, only to see it stall in the House.

The state has lost 38,000 manufacturing jobs in the past four years, or the equivalent of nearly all the manufacturing jobs gained during the 1990s, Pawlenty said. Many jobs were lost when businesses moved to neighboring states with better business climates.

“I’m sick and tired of stimulating the economies of places like Wisconsin and South Dakota with our jobs,” he said.

In addition, said the governor, the state should not raise taxes that “chew the bottom line of job creators.” It’s vital that greater incentives to invest in new Minnesota businesses are offered, Pawlenty said, and that the

Continued on page 22

Continued from page 21

state's entrepreneurial spirit is rekindled.

Specifically, he said he will lead a collaboration between the Mayo Clinic in Rochester and the University of Minnesota. The effort will "make two of the nation's premier providers strong partners in developing the treatments, devices, and medicines that will revolutionize medical care within a decade," said Pawlenty.

Under the category of public safety, the governor said the state must "keep track of" temporary foreign visitors by printing the expiration dates of their temporary visas on their driver's licenses. Such a measure would

allow law enforcement to instantly determine when visitors have overextended their stay in the United States.

Legislation to do what Pawlenty suggested was passed 106-25 by the House Jan. 30. Critics of the legislation say it represents unfair and unequal treatment of all immigrants.

To better serve crime victims, Pawlenty said all crime victim programs and anti-violence efforts in the state would be merged into a new Office of Justice Programs department.

Moving on to transportation, the Minnesota Department of Transportation needs a "shake up," said Pawlenty, who added that he

knows no better "shaker" than Lt. Gov. Carol Molnau. At the start of his administration, Pawlenty appointed Molnau to also assume the duties of transportation commissioner.

And finally, under the category of health, the governor announced the formation of a Blue Ribbon Task Force to examine methods of making health care more affordable. Former U.S. Sen. Dave Durenberger will lead the force.

Said Pawlenty, "Kids, jobs, public safety, transportation, and health. Some will ask if we can afford to move forward with these new initiatives. We can't afford not to." 🐼

House members respond to Pawlenty speech

DFL: 'Short on details'

A nice speech, but short on substance.

That's how several House DFLers summed up Gov. Tim Pawlenty's Feb. 6 State of the State address.

"He's right that we have a great state with great spirit," said House Minority Leader Matt Entenza (DFL-St. Paul), "but he was very short on details." The DFL members, Entenza added, await "the final details" in the Pawlenty administration's biennial budget proposal next week.

"Since the (session's) first day, we've offered to work with the governor in a bipartisan way," Entenza said. "It's better to work together than to work through press releases."

Rep. Barbara Goodwin (DFL-Columbia Heights) questioned Pawlenty's statement that the state budget, without changes, may grow by 14.4 percent during the 2004-05 biennium. "He really is stretching his numbers by using that figure," she said, adding that the percentage likely reflects past tax reductions. "He didn't address the budget deficit," she said. "He didn't show us what kind of a leader he will be."

First-term Rep. Lyle Koenen (DFL-Maynard) said the governor's presentation was "real good." He liked Pawlenty's pledge of no new state taxes, but warned that cuts in programs like local government aid could lead to an increase in local property taxes. "Some school districts could see that too," he said.

Pawlenty's prediction that if the state makes tough budget cuts now its financial picture could improve in three years did not impress Rep. Neva Walker (DFL-Mpls).

"Families are hurting today," she said. "Asking them to hurt for three more years is hard to grapple with."

The governor, who served 10 years in the House, opened his speech by greeting "distinguished members of the Legislature and Representative Rukavina, with whom the former House Majority Leader would often engage in animated debate.



PHOTO BY TOM OLSCHKEID

The House and Senate convened in the House chamber Feb. 6 for Gov. Tim Pawlenty's first State of the State address.

"The governor and I have a good relationship even though we don't agree philosophically," said Rep. Tom Rukavina (DFL-Virginia). "He's concerned about the crises in northern Minnesota. I think he'll look at ways to invest in the Iron Range and other (state) areas that depend on natural resources."

Rep. Lyndon Carlson (DFL-Robbinsdale) agreed with fellow DFLers that Pawlenty "didn't offer a lot of details."

Some of the goals the governor outlined were "admirable," Carlson said, citing the leading role Pawlenty advocated for the University of Minnesota to continue medical care research and technology. "The key is it takes resources," he said. "That's the big question mark."

(T. LONERGAN)

Republicans: 'A great vision'

Gov. Tim Pawlenty's first State of the State speech was also a warm homecoming for the former House member.

"I thought it was an excellent speech," said Rep. Erik Paulsen (R-Eden Prairie), the man who filled Pawlenty's shoes as House Majority Leader. "He's a natural leader and Minnesotans are going to feel good knowing he's leading the state."

Rep. Eric Lipman (R-Lake Elmo), who could be heard leading much of the applause during the

speech said, "It was a fabulous speech, enormously disciplined, well thought out, a great vision for the future, and an important reminder of where we've been."

House Republicans, who currently hold an 80-52 majority, have already begun pushing through major pieces of Pawlenty's agenda.

"I tried to listen to the speech and see what path he wanted us to go down. The Minnesota House has already marched down that path a great ways," said Speaker of the House Steve Sviggum (R-Kenyon). He pointed to the passage of a bill providing status checks for temporary visitors, the passage of a first phase of budget cuts without raising taxes, and the advancement of the bill to repeal of the Profile of Learning.

"I believe we are moving in the direction the governor would like us to — and more importantly, the direction that the citizens of the state expect," Sviggum said.

Freshman Rep. Brad Finstad (R-New Ulm) said he was encouraged and touched by the governor's speech. "It's going to give us a lot of direction and a lot of hope," Finstad said. "He made things very clear to all the citizens of Minnesota, of what we have in store for us."

Part of what is in store includes budget recommendations for the next biennium, which Pawlenty must release by Feb. 18. While some DFLers criticized the speech for including few budget details, Sviggum was not surprised. "Obviously you don't get details of a budget in a speech. That's not what a State of the State address is for. This is for vision. This is for the long range path that we should be moving in," Sviggum said.

Rep. Bud Heidegerken (R-Freeport) thought the governor did a nice job with his speech but found it lacking in one area: agriculture. "It ain't just manufacturing," Heidegerken said. "We're losing tons of farmers every year and the reason why that is is we're exporting less milk, less livestock, less grain. We're exporting less of everything."

(J. JONES)

Monday, Feb. 3

HF262—Lipman (R)
Jobs & Economic Development Finance
Bayport sewer system project funding provided, bonds issued, and money appropriated.

HF263—Rukavina (DFL)
Taxes
Nursing home levy for non-county owned public nursing homes required.

HF264—Biernat (DFL)
Civil Law
Housing violation summons and hearing scheduling requirements modified.

HF265—Walz (R)
Commerce, Jobs & Economic Development
Auto glass claims and coverages regulated.

HF266—Finstad (R)
Health & Human Services Policy
Purchasing alliance stop-loss fund modified relating to health plan companies.

HF267—Wilkin (R)
Commerce, Jobs & Economic Development
Fire insurance standard policy provisions modified.

HF268—Strachan (R)
Judiciary Policy & Finance
State Fair Police Department authorized to employ additional part-time peace officers.

HF269—Klinzing (R)
Regulated Industries
Woodbury additional on-sale liquor licenses authorized.

HF270—Sertich (DFL)
Commerce, Jobs & Economic Development
Ergonomic occupational safety and health standard adoption required.

HF271—Hausman (DFL)
Transportation Finance
Central Corridor Transit Way between St. Paul and Minneapolis funding provided, bonds issued, and money appropriated.

HF272—Clark (DFL)
Jobs & Economic Development Finance
Emergency assistance and transitional housing funding provided, and money appropriated.

HF273—DeLaForest (R)
Civil Law
Revisor's bill correcting erroneous, ambiguous, and omitted text and obsolete references.

HF274—Samuelson (R)
Transportation Finance
Ramsey County; County Road J and I-35W interchange project funding provided, bonds issued, and money appropriated.

Thursday, Feb. 6

HF275—Fuller (R)
Judiciary Policy & Finance
Beltrami County authorized to contract with Corrections Department for the cost of juvenile probation and parole services secretarial support.

HF276—Lipman (R)
Commerce, Jobs & Economic Development
Washington County; Baytown special well construction area disclosure required before property sales and development.

HF277—Penas (R)
Civil Law
Minnesota citizens' personal protection act of 2003 adopted recognizing the right of law-abiding citizens to self-protection, authorizing pistol permits, providing criminal penalties, and appropriating money.

HF278—Bradley (R)
Health & Human Services Policy
Health care provider expenditure reporting requirements eliminated.

HF279—Abeler (R)
Health & Human Services Policy
Physician assistants authority expanded and health rule amendments required.

HF280—Dempsey (R)
Jobs & Economic Development Finance
Wabasha; National Eagle Center construction funding provided, bonds issued, and money appropriated.

HF281—Lenczewski (DFL)
Health & Human Services Policy
Fair drug pricing act adopted, and money appropriated.

HF282—Beard (R)
Governmental Operations & Veterans Affairs Policy
Teachers retirement association ad hoc post-retirement adjustment provided for specified pre-1969 teachers.

HF283—Vandevor (R)
Taxes
Income tax checkoff provided to fund benefits for survivors of law enforcement officers and firefighters, and to maintain peace officer and firefighter memorials.

HF284—Vandevor (R)
Governmental Operations & Veterans Affairs Policy
Retired state employees authorized to pay for insurance benefits by automatic withdrawal or deduction from benefits received.

HF285—Rukavina (DFL)
Environment & Natural Resources Policy
St. Louis County land exchange requirement provided.

HF286—Huntley (DFL)
Governmental Operations & Veterans Affairs Policy
Minnesota State Colleges and Universities system individual retirement account prior retirement benefit coverage elections revision permitted.

HF287—Abeler (R)
Health & Human Services Policy
Hearing aids health insurance coverage regulated.

HF288—Kahn (DFL)
Environment & Natural Resources Policy
Outdoor light pollution restricted.

HF289—Kahn (DFL)
Environment & Natural Resources Policy
Littering prohibited within the state outdoor recreation system, and firework debris added to littering definition.

HF290—Westerberg (R)
Regulated Industries
Blaine additional on-sale liquor licenses authorized.

HF291—Davids (R)
Commerce, Jobs & Economic Development
Automobile or homeowner insurance policy cancellation prohibited under certain circumstances.

HF292—Davids (R)
Commerce, Jobs & Economic Development
Enforcement of non-compete clauses against insurance agents prohibited under certain circumstances.

HF293—Dempsey (R)
Local Government & Metropolitan Affairs
Municipalities authorized to prescribe fees by a fee schedule.

HF294—Eastlund (R)
Governmental Operations & Veterans Affairs Policy
Military reserve; state employees called to active duty authorized to receive payment of a salary differential, and local governments authorized to pay similar salary.

HF295—Rhodes (R)
Health & Human Services Policy
Mental health and substance abuse treatment carve-outs prohibited.

HF296—Peterson (DFL)
Education Finance
General education aid increased proportionately for rural and metropolitan school districts.

HF297—Haas (R)
Health & Human Services Policy
Health commissioner directed not to adopt certain rules, and specified data collection and research initiative provisions repealed.

HF298—Ellison (DFL)
Judiciary Policy & Finance
Criminal records expungement provisions expanded.

- HF299—Ellison (DFL)**
Civil Law
Data collection concerning political, religious, social views, associations, or activities prohibited unless directly related to criminal investigation; and civil remedies provided.
- HF300—Haas (R)**
Taxes
Champlin pedestrian bridge construction materials sales tax exemption provided.
- HF301—Sykora (R)**
Taxes
School tuition organization contribution income tax credit provided.
- HF302—Sykora (R)**
Education Policy
School board organizational meeting dates clarified.
- HF303—Walker (DFL)**
Education Policy
Special School District No. 1 Minneapolis, "How's My Driving?" program required for reporting of unsafe school bus operation.
- HF304—Larson (DFL)**
Taxes
Airport parking surcharge imposed at the Minneapolis-St. Paul International Airport, and airport impact mitigation account established.
- HF305—Larson (DFL)**
Taxes
Parking tax imposed on large parking facilities.
- HF306—Rukavina (DFL)**
Local Government & Metropolitan Affairs
Biwabik authorized to reimburse the town of White for orderly annexed property.
- HF307—Adolphson (R)**
Governmental Operations & Veterans Affairs Policy
Noncommercial sign ordinance exemption provided.
- HF308—Eastlund (R)**
Governmental Operations & Veterans Affairs Policy
Minneapolis employee retirement fund prior service credit purchase authorized for former temporary employment.
- HF309—Paymar (DFL)**
Judiciary Policy & Finance
Crime victim ombudsman office re-established.
- HF310—Kelliher (DFL)**
Regulated Industries
Minneapolis Historic Pantages Theatre on-sale liquor license authorized.
- HF311—Latz (DFL)**
Civil Law
Internet consumer data provisions clarified.
- HF312—Dill (DFL)**
Taxes
Cook County hospital district levy inflation adjustment authorized.
- HF313—Rukavina (DFL)**
Governmental Operations & Veterans Affairs Policy
Public construction required to use iron and steel materials produced in Minnesota.
- HF314—Walz (R)**
Transportation Policy
Flashing blue lights display on front of emergency vehicles authorized.
- HF315—Hackbarth (R)**
Transportation Finance
Trunk Highway 65 improvement bonds authorized.
- HF316—Hackbarth (R)**
Transportation Finance
Anoka County park-and-ride lot funding provided, bonds issued, and money appropriated.
- HF317—Hackbarth (R)**
Regulated Industries
Anoka County facilities use for commercial wireless service providers authorized, and lease of sites for public safety communications equipment permitted.
- HF318—Seifert (R)**
Transportation Policy
Motorcycle safety signs required on trunk highways near locations of motorcycle fatalities.
- HF319—Lanning (R)**
Higher Education Finance
Post-secondary work-study and childcare grant programs funding restored, and money appropriated.
- HF320—Goodwin (DFL)**
Taxes
Tax refund interest payment provisions modified.
- HF321—Cox (R)**
Health & Human Services Policy
Northfield medical facilities related to the municipal hospital authorized.
- HF322—Kelliher (DFL)**
Health & Human Services Policy
Emergency contraception supply to victims of sexual assault required.
- HF323—Smith (R)**
Governmental Operations & Veterans Affairs Policy
Privatization procedures for services formerly provided by public employees established.
- HF324—Sieben (DFL)**
Jobs & Economic Development Finance
Contaminated land cleanup grant funds provided, and money appropriated.
- HF325—Huntley (DFL)**
Health & Human Services Policy
Contraceptive prescription insurance coverage required.
- HF326—Samuelson (R)**
Health & Human Services Policy
Dental practice provisions modified.
- HF327—Hackbarth (R)**
Local Government & Metropolitan Affairs
Shooting range generally accepted practices defined; and relation to local ordinances, closing and relocations, and nuisance liability provided.
- HF328—Hoppe (R)**
Environment & Natural Resources Finance
Carver County Seminary fen acquisition and restoration funding provided, and money appropriated.
- HF329—Goodwin (DFL)**
Education Policy
Bullying and intimidation policy required of school boards, and existing harassment and violence policies required to be consistent.
- HF330—Sviggum (R)**
Governmental Operations & Veterans Affairs Policy
State employee labor agreements and compensation plans ratified with certain exceptions.
- HF331—Howes (R)**
Taxes
Homestead resort valuation and deferment of property taxes provided.
- HF332—Anderson, B. (R)**
Regulated Industries
Prairie Island and Monticello nuclear generating plant continued operation authorized, and nuclear waste escrow account required.
- HF333—Smith (R)**
Civil Law
Revenue Recapture Act usage authorized for collection of conciliation court judgments, priority of claims provided, and service of process requirements modified.
- HF334—Abeler (R)**
Health & Human Services Policy
Acupuncture service coverage by certain insurance policies required, review of acupuncture claim determinations by practitioners required, and reporting required.
- HF335—McNamara (R)**
Environment & Natural Resources Policy
Irrigation system moisture or rainfall sensing equipment required.
- HF336—Ozment (R)**
Commerce, Jobs & Economic Development
Sprinkler system installation in certain existing high-rise buildings required, and subtraction from taxable income allowed.
- HF337—Howes (R)**
Environment & Natural Resources Policy
Wetlands; unauthorized rule exemption removal required.
- HF338—Davnie (DFL)**
Education Finance
Adult basic education aid payment provided with portion of statewide property tax, and money appropriated.
- HF339—Davnie (DFL)**
Civil Law
Graffiti damages recovery action provided.
- HF340—Cornish (R)**
Environment & Natural Resources Policy
Natural Resources Department enforcement authority modified relating to recreational areas.
- HF341—Lindner (R)**
Civil Law
Sexual orientation removed as a protected class under the Human Rights Act and other statutory provisions.

Schedule is subject to change.
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MONDAY, February 10

12:30 PM

Governmental Operations and Veterans Affairs Policy

Room: Basement Hearing Room
Chair: Rep. Jim Rhodes

*** Note: *** Change in Agenda

Agenda: HF162 (Seifert) Health commissioner required to obtain legislative approval for specified rules adoption.
Other agenda items to be announced.

Health and Human Services Policy

Room: 10 State Office Building
Chair: Rep. Lynda Boudreau

Agenda: HF297 (Haas) Health commissioner barred from adopting certain rules, and repealing certain data collection and research initiative provisions.

3:00 PM

THE HOUSE MEETS IN SESSION

TUESDAY, February 11

8:15 AM

Health and Human Services Finance

Room: 10 State Office Building
Chair: Rep. Fran Bradley

Agenda: To be announced.

Jobs and Economic Development Finance

Room: Basement Hearing Room
Chair: Rep. Bob Gunther

Agenda: Discussion of the Dislocated Worker Program in the Department of Economic Security and a budget overview for the Department of Commerce.

Transportation Finance Subcommittee on Transit
Room: 500S State Office Building
Chair: Rep. Mary Liz Holberg
Agenda: To be announced.

Environment and Natural Resources Finance

Room: 5 State Office Building
Chair: Rep. Dennis Ozment

Agenda: Office of Environmental Assistance budget overview.

10:15 AM

Environment and Natural Resources Policy

Room: 5 State Office Building
Chair: Rep. Tom Hackbarth

Agenda: Forest management: Minnesota Forest Industries; Wood Fiber Council; Ruffed Grouse Society; Minnesota Forest Resource Council; and Division of Forestry, Department of Natural Resources.

Judiciary Policy and Finance

Room: Basement Hearing Room
Chair: Rep. Steve Smith

Agenda: CriMNet - 2002 Annual Report to the Legislature.

Taxes

Room: 200 State Office Building
Chair: Rep. Ron Abrams

Agenda: Presentation by Department of Revenue: Streamlined Sales Tax Project (SSTP). Other business that may appropriately come before the committee.

Education Finance

Room: 10 State Office Building
Chair: Rep. Alice Seagren

Agenda: School-related fees.

12:30 PM

Transportation Policy

Room: 200 State Office Building
Chair: Rep. Ron Erhard

Agenda: Technology overview, Driver and Vehicle Services Division, Department of Public Safety.
Federal funding overview.

Governmental Operations and Veterans Affairs Policy

Room: Basement Hearing Room
Chair: Rep. Jim Rhodes

Agenda: Agenda items to be announced.

Agriculture and Rural Development Finance

Room: 5 State Office Building
Chair: Rep. Elaine Harder

Agenda: Agricultural trade efforts of the Minnesota Department of Trade and Economic Development and the Minnesota Department of Agriculture to promote Minnesota-grown commodities:

Kurt Markham, Director of Agriculture Marketing Services, Minnesota Department of Agriculture;
Donald Nickel, soybean farmer, Mountain Lake, Minn.;

Bob Zelenka, Executive Director, Minnesota Shippers Association; and
Elaine Bliss, Deputy Trade Commissioner, Department of Trade and Economic Development.

Commerce, Jobs and Economic Development

Room: 10 State Office Building
Chair: Rep. Greg Davids

Agenda: HF176 (Davids) Rushford Institute for Nanotechnology grant provided, and money appropriated.

2:30 PM

Local Government and Metropolitan Affairs

Room: 200 State Office Building
Chair: Rep. Jerry Dempsey

*** Note: *** Change in Agenda

Agenda: HF293 (Dempsey) Municipalities authorized to prescribe fees by a fee schedule.

State Government Finance

Room: 500N State Office Building
Chair: Rep. Bill Haas

Agenda: HF195 (Rhodes) Relating to elections: establishing the voting integrity and voter access account.

Civil Law

*** Note: *** Change in meeting room

Room: 5 State Office Building
Chair: Rep. Mary Liz Holberg

Agenda: HF261 (Boudreau) Minnesota Citizens' Personal Protection Act of 2003 adopted recognizing the right of law-abiding citizens to self-protection, authorizing pistol permits, providing criminal penalties, and appropriating money.

Regulated Industries

*** Note: *** Change in meeting room

Room: 10 State Office Building
Chair: Rep. Torrey Westrom

Agenda: Public testimony regarding additional nuclear storage at Prairie Island.

WEDNESDAY, February 12

8:00 AM

Environment and Natural Resources Finance

Room: 5 State Office Building
Chair: Rep. Dennis Ozment

Agenda: Joint House/Senate Environment and Natural Resource Finance Committee tour and budget overview at the Science Museum.

*Committee members and staff should meet in front of the State Office Building at 8 a.m. where transportation will be provided to the Science Museum.

8:15 AM

Health and Human Services Policy

Room: 10 State Office Building
Chair: Rep. Lynda Boudreau
Agenda: HF5 (Bradley) Establishing a prescription drug discount program.
HFXXXX (Boudreau) Board on Aging to establish a prescription drug assistance program.

Jobs and Economic Development Finance

Room: Basement Hearing Room
Chair: Rep. Bob Gunther
Agenda: Budget overviews of the Minnesota State Arts Board and the Minnesota Historical Society.

Transportation Finance

Room: 200 State Office Building
Chair: Rep. William Kuisle
Agenda: HF274 (Samuelson) Ramsey County; County Road J and I-35W interchange project funding provided, bonds issued, and money appropriated.
HF161 (Jacobson) Ramsey County; Edgerton Street bridge over I-694 reconstruction funding provided, bonds issued, and money appropriated.
HF260 (Klinzing) Ramsey County; I-94 at Century Avenue and McKnight Road interchange project funding provided, bonds issued, and money appropriated.
HF234 (Dempsey) Port development assistance funding provided, bonds issued, and money appropriated.

10:15 AM

Judiciary Policy and Finance

Room: Basement Hearing Room
Chair: Rep. Steve Smith
Agenda: Current crime trends - overview by House Research.
Note: Additional items may be added to the agenda.

Education Finance

Room: 10 State Office Building
Chair: Rep. Alice Seagren
Agenda: Financial implications of the federal Elementary and Secondary Education Act (ESEA).

12:30 PM

Governmental Operations and Veterans Affairs Policy

Room: Basement Hearing Room
Chair: Rep. Jim Rhodes
Agenda: Agenda items to be announced.

Agriculture Policy

Room: Tour
Chair: Rep. Howard Swenson
Agenda: Regular meeting canceled. Members to instead tour University of Minnesota Veterinary College later in afternoon.

Higher Education Finance

*** Note: *** Change in meeting room
Room: 5 State Office Building
Chair: Rep. Doug Stang
Agenda: Financial aid programs' impact on students.
Witnesses: Minnesota State Colleges Student Association (MSCSA); Minnesota State Universities Student Association (MSUSA).

Transportation Policy

Room: 200 State Office Building
Chair: Rep. Ron Erhardt
Agenda: To be announced.

2:30 PM

Regulated Industries

*** Note: *** Change in meeting room
Room: 10 State Office Building
Chair: Rep. Torrey Westrom
Agenda: Public testimony regarding additional nuclear storage at Prairie Island.

State Government Finance

Room: 500N State Office Building
Chair: Rep. Bill Haas
Agenda: To be announced.

Local Government and Metropolitan Affairs

Room: 200 State Office Building
Chair: Rep. Jerry Dempsey
Agenda: Presentations by: Metropolitan Sports Facilities Commission; Minnesota regional development organizations.

Civil Law

*** Note: *** Change in meeting room
Room: 5 State Office Building
Chair: Rep. Mary Liz Holberg
Agenda: HF112 (Pugh) Title, lien, and mortgage technical, clarifying, and conforming changes provided.
HF273 (DeLaForest) Revisor's bill correcting erroneous, ambiguous, and omitted text and obsolete references.
HF106 (Wilkin) Litigation and settlement proceeds deposited in the general fund.

4:30 PM

Meeting Time Note: Special meeting; should there be a Floor Session, the meeting will be at the call of the chair after session.

Ways and Means

Room: 200 State Office Building
Chair: Rep. Jim Knoblach
Agenda: Presentation by National Conference of State Legislatures staff; comparative review of Minnesota and other states.

THURSDAY, February 13

8:15 AM

Education Policy

Room: 200 State Office Building
Chair: Rep. Barb Sykora
Agenda: To be determined.

Education Policy

Room: 200 State Office Building
Chair: Rep. Barb Sykora
Agenda: To be determined.

Environment and Natural Resources Finance

Room: 5 State Office Building
Chair: Rep. Dennis Ozment
Agenda: Board of Water and Soil Resources budget overview.

Jobs and Economic Development Finance

Room: Basement Hearing Room
Chair: Rep. Bob Gunther
Agenda: Budget overviews of the Iron Range Resources and Rehabilitation Agency (IRRA) and the Department of Economic Security.

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.

Education Finance

Room: 10 State Office Building
Chair: Rep. Alice Seagren
Agenda: Financial implications of ESEA.

Environment and Natural Resources Policy

Room: 5 State Office Building
Chair: Rep. Tom Hackbarth
Agenda: To be announced.

12:30 PM

Commerce, Jobs and Economic Development

Room: 10 State Office Building
Chair: Rep. Greg Davids
Agenda: HF267 (Wilkin) Fire insurance standard policy provisions modified relating to terrorism. Other bills to be announced.

Ways and Means

Room: 200 State Office Building
Chair: Rep. Jim Knoblach
Agenda: Continuation of presentation by and discussion with National Conference of State Legislatures staff (from Feb. 12).
Review of state pension programs and funds by House and Legislative Commission on Pensions staff.

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Powell wins open seat

The newest member of the House is scheduled to be sworn into office Feb. 10.

Duke Powell (R-Burnsville) won the District 40A seat in a Feb. 3 special election, earning 68.5 percent of the vote. Dan McElroy, who was named the state finance commissioner, vacated the seat Jan. 6. The district includes parts of Burnsville and Savage.

Powell, a paramedic for the Hennepin County Medical Center, is married with three children.

Special elections to replace former Reps. Mark Holsten (District 52B) and Rich Stanek (District 32B) are scheduled for Feb. 11 and Feb. 25. Holsten is now a deputy commissioner with the Department of Natural Resources and Stanek was named the state's public safety commissioner.

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231 Capitol 296-2343

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Index, Senate

110 Capitol 296-5560

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Senate Chamber 296-7514/296-1119

Committee Hotline, Senate 296-8088

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Governor's Office

130 Capitol 296-3391

Attorney General's Office

102 Capitol 296-6196

Secretary of State's Office

180 State Office Building 296-2803

Capitol Security

B-5 Capitol 296-6741

Emergency 296-2100

Reflections

Gov. Tim Pawlenty's State of the State address on Feb. 6 was the 98th message presented to the Legislature since statehood in 1858.

According to the Minnesota State Constitution, "The Governor shall communicate by message to each session of the Legislature information touching the state and country."

Like his predecessors, and in accordance with the constitution, Pawlenty made a request to speak to the House and Senate early in the 2003 session. Once a date was set for a joint session to convene, constitutional officers in the executive branch, and justices and judges in the judicial branch were invited to attend.

In the spirit of protocol and tradition, the governor does not simply walk into the chamber to speak to anyone. He must be announced.

As in past ceremonies leading up to a message from the governor, once House and Senate members, and members of the executive and judicial branches are seated, the arrival of the governor at the chamber door is formally announced by the House Chief Sergeant-at-Arms.

From 1858 to 1879, governors delivered their message to a Legislature that met annually in the "Hall of the House of Representatives." The Legislature only met in one year of each biennium from 1881 to 1971, so most governors delivered their message every two years in the same "Hall," or House Chamber as it is called today.

The Legislature began flexible biennial sessions in 1973, meeting at least once per year in a two-year period. Prior to 1969,

House and Senate journals note that a "message of the governor" was given. At that time, Gov. Harold LeVander changed the name of the address to "The State of the State."

Records indicate that all governors made an address, except in 1986 and 2000, but all the speeches were not delivered at the Capitol.

Gov. Rudy Perpich made a separate 1983 address at Hibbing High School, his alma mater. Five years later he gave his message in Winona.

During Gov. Arne Carlson's two terms, four of his addresses were away from the Capitol.

The first time citizen participation was used in a gubernatorial address was with Carlson's 1990 speech to high school students, legislators, and other citizens in Bloomington.

He again took his message on the road in 1992 to Hutchinson, to Rochester in 1994, and back to Bloomington in 1996 where he spoke at a Chamber of Commerce event.

Gov. Jesse Ventura gave last year's address from the Governor's Residence in St. Paul.

Most State of the State addresses contain plans to keep the state economically stable, no matter where they are delivered.

Such was the case with Pawlenty's message — a financial plan that echoed a message given by Gov. William Marshall in 1868. Marshall said, "I cannot too strongly urge upon your consideration the necessity of the strictest economy consistent with public requirements in every branch of public service."

—LECLAIR GRIER LAMBERT



PHOTO BY TOM OLMSCHEID

Gov. Tim Pawlenty is greeted as he enters the House Chamber to deliver his State of the State address.

Where to find information

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SPEAKER OF THE HOUSE: STEVE SVIGGUM
 MAJORITY LEADER: ERIK PAULSEN
 MINORITY LEADER: MATT ENTENZA

MINNESOTA INDEX

Financing higher education

Combined enrollment at the four University of Minnesota campuses, fall 2002	62,789
Percentage of those on Twin Cities campus	77.5
University enrollment in fall 2001	60,433
Full year equivalent enrollment for Minnesota State Colleges and Universities (MnSCU) system in 2002-03	129,842
In 2001-02	126,215
In 2000-01	118,861
Number of MnSCU campuses throughout state	53
Average undergraduate tuition and required fees charged in 2002-03 to full-time students at a MnSCU two-year college	\$3,026
At a MnSCU state university	\$4,088
At the University of Minnesota, Twin Cities	\$6,430
At a private liberal arts college that is one of 17 in the Minnesota Private College Council	\$19,166
Amount available for state grants in fiscal year 2003, in millions	\$133
Amount awarded in state grants in fiscal year 2002, in millions	\$125.6
Fiscal year 2000, in millions	\$109
Minnesota rank for grant aid provided to undergraduates in 2000-01	6
Average state grant award for 2002-03	\$1,770
Average combination of state grants and federal Pell Grant in 2002-03	\$3,015
Increase sought by Higher Education Services Office for state grants in fiscal years 2004-05, in millions	\$97
Original state general fund appropriations to University of Minnesota for fiscal year 2003, in millions	\$664.8
Amount reduced during 2002 budget reductions, in millions	\$23.6
State fund appropriation in fiscal year 2002, in millions	\$628.1
Millions in fiscal year 2001	\$604.3
Original state general fund appropriations to the MnSCU system for fiscal year 2003, in millions	\$640
Amount reduced during 2002 budget reductions, in millions	\$22.7
State fund appropriation in fiscal year 2002, in millions	\$601.6
Original state general fund appropriations to the Higher Education Services Office for fiscal year 2003, in millions	\$157.7
Amount reduced during 2002 budget reductions	\$931,000
State general fund appropriation in fiscal year 2002, in millions	\$148.75
State investment in higher education per every \$1,000 of personal income in 2002	\$8.78
In 1991	\$12.25

Sources: Minnesota Higher Education Services Office, University of Minnesota Office of Government Relations, Minnesota State Colleges and Universities, House Fiscal Analysis Department

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