In this issue:

Bonding Bill Passes

Stadium Scrutiny, Legal Assistance, and More
Session Weekly is a nonpartisan publication of the Minnesota House of Representatives Public Information Services. During the 2003-2004 Legislative Session, each issue reports daily House action between Thursdays of each week, lists bill introductions and upcoming committee meeting schedules, and provides other information. The publication is a service of the Minnesota House. No fee.

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Session Weekly (ISSN 1049-8176) is published weekly during the legislative session by the Minnesota House of Representatives Public Information Services, 175 State Office Building, St. Paul, MN 55155-1298. Periodicals postage paid at St. Paul, MN, and at additional mailing offices. POSTMASTER: Send address changes to Session Weekly, Public Information Services, Minnesota House of Representatives, 175 State Office Building, St. Paul, MN 55155-1298.

Printed on recycled paper which is 50% recycled, 30% post-consumer content.

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On the cover: Alix Hougan, 8, of Minneapolis looks at Saturn through one of the telescopes set up in front of the State Capitol April 27. The Minneapolis Planetarium held the star party to show the general support and interest in the sky and universe. There were also astronomical displays in the Great Hall of the State Capitol earlier in the day.

Photo by: Tom Olmscheid
Bonding bill passes
House advances $677.6 million proposal to fund buildings and bridges, but not commuter rail

By Mary Kay Watson

It took almost seven hours, but the House passed its omnibus bonding bill 102-30 April 29 following debate that focused largely on the Northstar commuter rail line.

“This bill doesn’t represent what each of us wants in a bill,” said Rep. Philip Krinkie (R-Shoreview), sponsor of HF2991. He called it a “difficult task” to sift through $2 billion in requests and arrive at a proposal.

A hodgepodge of cuts and reconfigurations made in the House Ways and Means Committee April 27 left the bill totaling $677.6 million, about $80 million less than proposed by Gov. Tim Pawlenty. Those changes survived debate on the House floor.

The bill now goes to the Senate.

Northstar commuter rail

Emotions and rhetoric peaked, both in the House Ways and Means Committee and on the House floor, in debate about the Northstar commuter rail project that would link Minneapolis with Big Lake.

In committee, Rep. Bill Haas (R-Champlin) successfully offered an amendment stripping $37.5 million in project funding and replacing it with $20 million for the Northwest Corridor Busway — funding approved in 2002 that would have been canceled under the bill, $15 million for a regional headquarters in Mankato for the Department of Transportation, and funding for smaller projects scattered across the state.

Supporters of the commuter rail project include Pawlenty, House Speaker Steve Sviggum (R-Kenyon), and committee chair Rep. Jim Knoblach (R-St. Cloud). Krinkie, the bonding bill sponsor, is among those opposed.

Dan McElroy, the governor’s chief of staff, who formerly opposed the project, told the committee he has changed his position, as the plan has been refined.

“I now see this as an opportunity to try new things,” McElroy said.

The line is “the most scrutinized project we’ve ever had,” said Rep. Kathy Tingelstad (R-Andover), sponsor of a Northstar funding bill (HF1233). It is more cost effective than a busway or additional roads because it makes use of a rail system that is already in place, she said. The project has the support of citizens, businesses, organizations, and community groups.

“The corridor from Minneapolis to St. Cloud is the fastest growing in the state, and there are no plans on the part of the Department of Transportation to fix it, said Rep. Jim Abeler (R-Anoka). “There’s been a bipartisan, bicameral lack of planning for this quadrant,” he said.

“We’re going to have to spend a bundle of money (in the corridor) because people have to be moved,” Sviggum said in committee.

“The Northstar gives us an opportunity to move them in a cost-effective way.”

Corrections

The bill calls for $65.4 million to the Department of Corrections. The funding mirrors the governor’s priorities with the notable exception of the Faribault prison expansion, which would receive $34.9 million. The governor requested $74.9 million.

In February, Krinkie invited private prison providers to make presentations to the House Capital Investment Committee. He said at the time he wanted to look at all the alternatives before making a decision about investing in expansion.

“There is little doubt that with enhanced sentence, it is prudent that we look ahead,” Krinkie said. “It is of critical importance to know what type of facilities we will need.”

He successfully offered an amendment to his bill in committee that would require the commissioner of corrections to fund a study from “existing resources” that would include projected inmate population growth, alternative sentencing models, and a cost-benefit analysis comparing private prisons and jails.

“I have concerns about privatization,” said Rep. Neva Walker (DFL-Mpls). “We’re not funding preventive measures and not looking at root causes.” Amendments offered in committee and on the House floor failed to remove the cost-benefit analysis.

“Prisons should be run by the state, and the employees should be state employees,” said Rep. Tom Rukavina (DFL-Virginia).

“A study is not needed,” said Rep. Steve Smith (R-Mound), chair of the House Judiciary Policy and Finance Committee. “What is needed is the $75 million we requested for the expansion of Faribault. What we do need is bed space.”

Additional funding

The bill calls for a number of other areas to receive funding, including:

• $237.5 million for higher education, of which $87 million is for asset preservation;
• $81 million to the Department of Transportation, which includes $31.1 million in local bridge replacement;
• $61.3 million to the Department of Employment and Economic Development, including $20 million for the University of
Minnesota/Mayo Clinic biotech research facility;
- $52.4 million to the Department of Natural Resources, including $20 million in flood hazard mitigation grants;
- $46.7 million for 25 local government projects, with the largest being $10 million for infrastructure repair and improvements in Roseau arising out of the 2002 flood;
- $23 million to the Board of Water and Soil Resources, including $20 million for Reinvest in Minnesota Reserve and the Conservation Reserve Enhancement Program;
- $18.6 million to the Department of Agriculture, with $18 million of that earmarked for Rural Finance Authority loans;
- $18.1 million to the Minnesota Amateur Sports Commission, with $18 million going to build a hockey arena in Bemidji; and
- $18 million to the Metropolitan Council, including $10 million for a Cedar Avenue bus rapid transit project.

Policy changes
Amendments making policy changes to the bill were successfully offered both in committee and on the House floor.

The committee approved an amendment from Krinkie that would require a referendum for any local bonding expenditure exceeding $1 million unless the local governing body endorses the project unanimously.

Noting this would mean a single board member could halt a project that involves several counties or municipalities, for example, the Northstar line, Rep. Lyndon Carlson (DFL-Crystal) unsuccessfully attempted to change the wording from "all" to "a majority."

"I understand this sets a fairly high bar," Krinkie said. "But if there's not a unanimous vote all it does is trigger a referendum."

Grant money from the Minnesota Redevelopment Council would have to be divided equally between metropolitan and non-metropolitan counties, according to an amendment successfully offered by Rep. Bob Gunther (R-Fairmont). This would include grants for biotech facilities, he said.

The House removed a requirement that would have required state bond-financed projects — such as museums, arenas, and rail transit — to post attendance data on their websites. Rep. Morrie Lanning (R-Moorhead) offered that amendment.

However, the House approved an amendment by Rukavina that would require the state to use funds in the budget reserve and cash flow account for bond principal and interest payments before raising property taxes.

Depressed conditions
State officials struggle with Depression-fueled crime spurt

As the dark days of the Great Depression began to fade into the background of history, state criminal apprehension officials were sounding one last warning to lawmakers for help.

An unprecedented jump in crime at the tail end of the Depression left the state Bureau of Criminal Apprehension reeling to handle the volume of cases, according to the bureau's 1933-34 biennial report.

"The Depression with its resulting unemployment has added to the field of criminals," wrote Superintendent M.C. Passolt. "The working facilities of the bureau have been stretched to the limit to meet the situation."

According to the report, crimes against people more than doubled from 1932 to 1933 and property crimes nearly doubled over the same period. Crimes remained steady from 1933 to 1934. Subsequent reports showed the trend continued into the 1935-36 biennium, as well.

The bureau, created in 1927, had an annual budget of about $48,500 from 1930 through 1933. In 1934, according to session laws, the budget was dropped to $25,500, though it returned to $44,400 for 1935.

In addition, success rates for recovering stolen property bottomed out during the time period. From 1927 to 1931, bureau agents recovered property at a rate between 20 percent and 25 percent. In 1932, the recovery rate dropped to less than 1 percent and only climbed to 4 percent in 1933.

Bank robberies plagued the state from 1929 to 1933, according to crime statistics. In the 1933-34 report, 13 people were listed as wanted bank robbers, including two women. Two of the men on the list were involved in eight of the robberies.

In the report, Passolt suggested the bureau needed more personnel, more sophisticated communication technology, and basic equipment. "All peace officers and sheriffs should be adequately equipped to cope with the criminal element and have the latest and most approved types of firearms and motor vehicles," he wrote. "The protectors of the persons and property of the citizens of the state are now at a tremendous disadvantage because of inadequate equipment."

The 1935 Legislature responded to Passolt's plea, addressing all three major concerns in his report.

First, the Legislature nearly doubled the appropriation for the bureau. In the 1936-37 biennium, the attorney general's office, which operated the bureau at that time, received $178,000 for salaries and operating budgets at the bureau. The bureau increased its personnel from 12 to 28, including nine new investigators.

In addition, a 1935 law authorized the creation of a radio communications system, to be maintained by the bureau. Each police car was to have a radio and the bureau would assure that any bulletins related to criminal activity would be broadcast over the radio. The bureau received an additional $25,000 the first year to construct the radio station, followed by $12,500 to operate it the first year.

Regarding the identification of felons, Passolt had asked that sheriffs and police chiefs be required to submit fingerprints and photographs of felons and suspected fugitives to the bureau. Previously, law enforcement agencies had the power to collect the information, but there was no requirement that they do so.

The bureau also received full police powers throughout the state that session.

Following the 1935 Legislature's action, Passolt's subsequent report had nothing but rave reviews.

"It is highly significant," Passolt wrote, "that at a time when the Legislature sought to keep all department appropriations at a minimum, that the body saw fit and proper to act on those recommendations and to substantially increase the appropriations of the bureau in order that its powers and activities might be expanded."

(M. Kibiger)

Photo courtesy of the Minnesota Historical Society
**CRIME**

**Orders for protection**

A new law signed April 26 by Gov. Tim Pawlenty allows orders for protection for domestic violence victims when their abusers are about to be released from jail or prison.

Previously, protection orders could only be extended for three reasons: violation of a past order, fear of physical harm, or actual acts of harassment or stalking. Orders are valid for a set period of time, which is often one year, and on occasion two years.

However courts cannot extend orders indefinitely. And they were limited in extending or granting orders when the abuser was released from jail or prison because the victim couldn’t establish that there had been contact necessitating protection.

The new law is effective April 27, 2004.

Supporters of the law are the Minnesota Coalition for Battered Women, the Domestic Abuse Project in Minneapolis, the St. Paul Domestic Abuse Intervention Project, and the Watch Project in Minneapolis.

Sponsors of the new law are Rep. Steve Smith (R-Mound) and Sen. Don Betzold (DFL-Fridley).

HF1944*/SF1797*/CH164

**EDUCATION**

**Transition committee membership**

A mental health representative must be placed on transition committees that help secondary and postsecondary aged youth with disabilities adjust to adult life, under a new law signed by Gov. Tim Pawlenty April 26.

Effective April 27, 2004, the new law amends a law requiring a school district or special education cooperative to form community transition teams for special needs students in grade nine or an equivalent age, and their families.

Community transition interagency committees identify services and programs for secondary and postsecondary special education students, and develop an implementation plan to meet the transition needs of individuals with disabilities.

The committees also include representatives of special education, other education and training agencies, adults with disabilities who have received transition services, parents, business or industry, as well as county social service and health agencies.

Districts or special education cooperatives must follow transition committee procedures determined by the state Education Department and annually report to the department on transition services provided to individuals with disabilities.

Sponsors of the new law are Rep. Alice Seagren (R-Bloomington) and Sen. Jane Ranum (DFL-Mpls).

HF2502/SF2609*/CH166

**ELECTIONS**

**Redistricting corrections**

Residents in two Edina apartment buildings found their neighbors across the hallway voting in different House districts.

The House passed a bill 125-0 April 26 that would correct the problem. It now goes to the governor.

Rep. Ron Erhardt (R-Edina), sponsor of HF2482/SF2300*, said when the census lines were drawn between districts 41A and 41B that “they unfortunately drew it through the middle of two large apartment buildings,” causing confusion among voters in the area.

The bill adjusts the boundary to follow a consensus block line.

Debra Mangen, Edina city clerk, told the House Governmental Operations and Veterans Affairs Policy Committee that the building residents are mostly elderly and that problems became evident in the 2002 elections. She said that voters felt disenfranchised when they went to the wrong place to vote after talking with neighbors about where their polling place was located.

The bill passed 63-0 March 22 in the Senate, where Sen. Geoff Michel (R-Edina) is the sponsor.

**Member confirmation**

The House confirmed the appointments of two members to the Campaign Finance and Public Disclosure Board by a voice vote April 23.

Recommended by Gov. Tim Pawlenty, Hilda Bettermann and Felicia Boyd are subject to confirmation by the House and Senate. The Senate has yet to act.

According to its Web site, “The Board’s four major programs are campaign finance registration and disclosure, public subsidy administration, lobbyist registration and disclosure, and economic interest disclosure by public officials.”

Bettermann, a legislator from 1991 to 1998, is an instructor at Alexandria Technical

**ARMED FORCES HONORED**

College. Her resume includes current and past volunteer community service activities as advisory committee member for the Central Lakes Area Sanitary District, former member of the Rural Health Advisory Council, the Workers’ Compensation Council, and the Minnesota State Colleges and Universities system Trustee Advisory Council.

“As a former legislator and as a citizen who has and still does report to the Board, I understand the responsibilities of the Board in regard to elected officials and political campaigns,” she said.

Boyd is a partner with the law firm of Faegre and Benson and has been working for 16 years in intellectual property litigation.

House Minority Leader Matt Entenza (DFL-St. Paul), noting that Boyd belongs to a litigation firm that represents several high profile politicians and does lobbying work, asked how she would handle the situation if there would be a conflict.

Rep. Jim Rhodes (R-St. Louis Park), chair of the House Governmental Operations and Veterans Affairs Policy Committee, said Boyd told the committee that she would first look into, and follow, conflict of interest rules that govern the situation. If a client were involved she would have the ability to withdraw from the situation.

ENVIRONMENT

Petroleum tank parity

The House passed a measure April 22 that would create some regulatory symmetry between aboveground and underground storage tanks. The bill also would raise the penalties for certain violations and shorten the compliance grace period facility operators have to meet the regulations.

HF2365/SF2299*, sponsored by Rep. Joe Hoppe (R-Chaska) and Sen. Thomas Bakk (DFL-Cook), awaits the governor’s signature.

The legislation was brought forward by the Minnesota Petroleum Marketers Association, Hoppe said.

Under current law, the Pollution Control Agency issues red tags for failure to comply with state and federal requirements. The tag is attached to the top of the tank’s fill pipe, and it signifies that petroleum product deliveries are prohibited until the violation is corrected.

The bill would make aboveground storage tanks subject to the same regulations as underground storage tanks with respect to environmental considerations such as spill, overfill, and corrosion protections and leak detection methods.

Under the bill, facility owners would have 60 days to correct a violation before a citation is issued, unless there is a discharge association with the violation or it is a repeat violation from a previous inspection. Currently, the grace period is 90 days.

Another provision would raise from $250 to $500 the penalty for violating rules relating to upgrading existing underground storage tank systems, up to a maximum of $2,000 per tank system, and raise from $100 to $250 the penalty for violating underground storage tank system general operating requirements.

The black and the gray

The House passed a measure April 22 that aims to give residential septic system owners some options beyond the typical mound or trench filtration configurations when soil conditions call for a different approach. The vote was 129-0.

HF2040, sponsored by Rep. Mark Olson (R-Big Lake), would create a 10-year pilot program for state certification and approval of new septic system technologies that could be a better fit for some.

“The technology with regard to septic systems has grown tremendously over the years,” Olson said.

This bill is about establishing a pilot process with the Department of Health and Pollution Control Agency to get approval for these new technologies, and the goal is to make these technologies more easily accepted and used by consumers to protect the environment, he said.

The new type of residential system, known as a biodigester and water reclamation system, collects and separates blackwater — sewage from toilets and garbage disposals — from other wastewater, known as greywater, and then allows the water to be mechanically or biologically recycled or returned to surface and ground water supplies.

Under the bill, the alternative systems would be required to meet state and federal wastewater treatment standards. Manufacturers would be obligated to achieve certification by the Pollution Control Agency, a process for which the agency could charge them up to $4,000.

Manufacturers also would be required to provide appropriate training to install, maintain, operate, and monitor the systems. The agency, together with the Department of Health and local regulatory authority, would require independently verified annual monitoring and maintenance reports from system owners.

Rep. David Dill (DFL-Crane Lake) said he is particularly hopeful the bill will have a big impact on northeastern Minnesota lakes suffering from nitrates and all types of pollutants from failing septic systems.

The bill now goes to the Senate, where Sen. Dallas Sams (DFL-Staples) is the sponsor.

GOVERNMENT

Fund management

Special revenue funds and accounts created in law would be reviewed more often, and possibly eliminated, under a bill approved 125-0 by the House April 26.

Rep. Jim Knoblach (R-St. Cloud), the sponsor of HF2446, said other than the state’s general fund, “There are something like 1,600 other special little funds the state has. Many of them are adopted into law and not reviewed as often as they should be by the various finance committees that are involved with them because there are so many.”

The bill would change several functions:

• authorizes the commissioner of finance to eliminate funds that have had less than $1,000 of activity in the last four years or a balance of less than $1,000,
• the commissioner is to notify the Legislature when a fund established in law is eliminated,
• each agency that manages accounts within a fund must notify finance committees on the number, purpose, and recent financial activity in accounts annually, which is not a current requirement, and
• beginning in 2007, there is a sunset process put in place for special funds.

Knoblach said the sunset process would force the finance committees “to look at these various accounts and reauthorize them.”

The bill now goes to the Senate, where Sen. Richard Cohen (DFL-St. Paul) is the sponsor.

Departmental changes

The House passed a bill April 26 that makes comprehensive housekeeping and technical changes to the Department of Employment and Economic Development.

The vote was 118-8.

Rep. Lynne Osterman (R-New Hope), the sponsor of HF2386, said it eliminates duplications such as the name of the agency, moves archaic functions outside of the new agency scope, corrects or updates the statutes that related to previous departmental reorganizations, updates statutes to current federal law, and repeals outdated laws and rules.

The Legislature abolished the Department of Economic Security effective July 1, 2003, and transferred its duties to the new Department of Employment and Economic Development, which was previously called the Department of Trade and Economic Development.

A department merger update said the
consolidation of offices provides a single, cohesive agency to provide workforce and economic development services. In addition, it allows them to consolidate the offices in the same physical space, thereby eliminating millions in future lease payments.

Rep. Barbara Goodwin (DFL-Columbia Heights) expressed concern about the costs associated with the department as a whole moving into a new location. “This is a bill that costs money that is not being appropriated,” said Goodwin, who feared that moving costs could result in layoffs. Moving costs are to come from the agency budget.

Osterman said that it is no longer the whole department being moved, just the trade office at a cost estimated to be between $50,000 and $70,000, with the buyout of the current lease costing $347,000.

The bill now goes to the Senate, where Sen. Julie Rosen (R-Fairmont) is the sponsor.

### HUMAN SERVICES

**Collaborative service models**

A bill that would call for counties and managed care organizations to develop collaborative models for home and community-based waiver services passed the House 129-0 April 22.

HF2425, sponsored by Rep. Char Samuelsen (R-New Brighton), would require the human services commissioner to request proposals for models that would integrate home and community-based elderly waiver services and other nursing home services into the Prepaid Medical Assistance Program. Implementation of waiver services under the program would be gradually phased in, with statewide coverage delayed until on or after July 1, 2006.

“Counties are uniquely positioned to organize these services,” Richard Backman, social services division manager for Washington County, told the House Health and Human Services Policy Committee March 8.

The bill would also clarify Medical Assistance coverage for individuals who are enrolled in Medicare hospices. The bill specifies that “dual eligibles” who have waived the Medicare skilled nursing facility room and board benefit and enrolled in the Medicare hospice program would be covered under Medical Assistance.

Rep. Thomas Huntley (DFL-Duluth) referred to this as “comfort language” and said it serves to codify current practice. The provision would allow individuals or their families to choose a hospice without having to go to a nursing facility first.

The bill now goes to the Senate, where Sen. Sheila Kiscaden (IP-Rochester) is the sponsor.

### Licensing provisions

The House passed a bill April 22 that would make a variety of technical and substantive changes to Department of Human Services licensing provisions. The vote was 104-21.

Sponsored by Rep. Jim Abeler (R-Anoka), HF2277 also includes a number of small bills that were passed by the House Health and Human Services Policy Committee earlier in the session.

Two amendments successfully offered on the House floor would incorporate several bills passed earlier by the House, as well as make adjustments to effective dates.

Abeler said combining these bills into a single larger one facilitates “good, small policy changes.”

Rep. Thomas Huntley (DFL-Duluth) agreed, saying there was nothing controversial in the amendments.

The bill would affect the following licensing-related statutes:
- Human Services Licensing Act,
- Human Services Background Studies Act, and
- Maltreatment of Minors and Vulnerable Adults Acts.

Also affected would be provisions related to insurance for foster home providers, day training and habilitation, and human services fair hearings.

Among its provisions, the bill would provide clarification regarding background studies conducted by the Department for the Department of Corrections; require applicants seeking licensure from the department to have a program office within Minnesota; and establish a new licensure class and standards for residence-based adult day care services, which are currently licensed under adult foster care standards.

“I hope this will remove the impediments to those seeking senior foster care,” said Rep. Ray Vandeveer (R-Forest Lake).

The bill, which would have no fiscal impact, now goes to the Senate, where it is sponsored by Sen. Sheila Kiscaden (IP-Rochester).

### Provision modifications

The House passed the Department of Human Services policy initiatives bill 108-20 April 22.

“This bill is pure, exciting policy,” said Rep. Jim Abeler (R-Anoka), sponsor of HF2724.

The 134-page proposal incorporates a number of previous bills that include changes in child welfare, child care assistance, adoption, economic supports, health care, mental health, and care for the elderly.

For example, among its provisions, the bill would require social services agencies to make a comprehensive search to find both paternal and maternal relatives before placing a child for adoption.

Rep. Tom Rukavina (DFL-Virginia) successfully amended the bill with language that would require the health commissioner to seek federal approval allowing home delivery of supplemental foods to families using the Women, Infants, and Children Program.

“A lot of people in my district don’t have cars and have difficulty getting to town,” Rukavina said.

“I think you’re trying to change something that doesn’t need changing,” said Rep. Bob Gunther (R-Fairmont).
Rep. Fran Bradley (R-Rochester) was concerned that there might be a cost associated with the change. Rukavina pointed out a provision in the amendment that would require costs be kept to a minimum.

Rep. Phyllis Kahn (DFL-Mpls) successfully offered an amendment that would allow new mothers who are eligible for basic sliding fee child-care assistance to stay at home with their babies for the first year and receive at-home infant child-care subsidies in lieu of assistance.

Kahn said this was the proposal, based on research showing the importance of the first year of life, for which former Rep. Richard Mulder (R-Ivanhoe) received national recognition.

“This is a very wise approach,” Bradley said. “It would not cost us any more.”

Rep. Maxine Penas (R-Badger) successfully offered an amendment that would permit a purchasing alliance to redefine “eligible employees” to include seasonal employees, thereby allowing them to get health insurance in the months they do not work.

Penas previously brought this provision as HF2504 to the House Health and Human Services Policy Committee, which recommended it to pass.

The bill will now go to the Senate, where Sen. Sean Nienow (R-Cambridge) is the sponsor.

**Clean up bill**

The House passed a bill April 22 that would make 63 technical changes to Department of Human Services programs. The vote was 126-0.

Sponsored by Rep. Char Samuelson (R-New Brighton), HF2637 would have no financial implications. The bill consists mostly of clarifications, definitions, and the removal of obsolete references. There was no discussion to the bill on the House floor.

Included changes relate to child-care assistance, the Minnesota Family Investment Program, the Diversionary Work Program, continuing care, and long-term health care programs.

Among other things, it reflects that child-care assistance programs have been moved from the Department of Education to the Department of Human Services.

The bill will go next to the Senate, where Sen. Sean Nienow (R-Cambridge) is the sponsor.

**Public finance provisions**

The House Taxes Committee approved a public finance bill (HF3081) April 22 that would provide bonding authorization for Metropolitan Council transit capital improvements and the public safety radio system, as well as a number of authority and policy-related changes to local municipalities.

The bill, sponsored by Rep. Ron Abrams (R-Minnetonka), now moves to the House floor.

One financial provision in the bill would allow the Metropolitan Council to issue $32 million in bonds for transit-related capital improvements, including such things as replacing and expanding the bus fleet, bus garages and scheduling systems, and bus shelters and park-and-ride facilities.

Since 1999, the Legislature has authorized nearly $200 million in regional bonds, including $45 million in 2003. The bonds are tied to the life of the project, meaning if a project extends the life of a vehicle for five years, the bonds are sold for five years.

In addition, the bill would authorize the council to serve as the fiscal agent and issue revenue bonds for public safety radio system improvements in the southeastern district or Benton, Sherburne, Stearns, or Wright counties—part of the State Patrol’s central district. The counties would be eligible for up to 50 percent of the costs of building infrastructure for the system.

Overall, the system is intended to provide a high-frequency system that will allow all officers to communicate and be compatible with systems used by local agencies.

The bonds would be backed by the statewide 911 surcharge.

A number of other local issues are addressed in the bill that would authorize the following:

- cities outside the Twin Cities metropolitan area may establish special services districts and contract with a nonprofit corporation to provide the services in the district, through June 30, 2007;
- the Lakes Area Economic Development Authority, near Alexandria, would be established as a special taxing district so it may adopt and certify its own levy;
- the Aitkin Drainage and Conservancy District, initially abolished in 1987, would be reinstated for the purposes of administering a deteriorating diversion channel on the Mississippi River;
- the Housing Finance Authority may transfer up to $50 million of its tax exempt bond allocation authority, that it expects to go unused, to the Higher Education Services Office for student loan bonds;
- the city of St. Paul may contract with a nonprofit entity to maintain, manage, and operate the RiverCenter complex; and
- housing and redevelopment authorities may issue general obligation bonds to develop qualified housing projects, even if the project is owned by a limited partnership or other entity, as long as the authority is its sole partner.

The Senate companion (SF2846), sponsored by Sen. Lawrence Pogemiller (DFL-Mpls), awaits action in the Senate Taxes Committee.

**Land dedication**

A bill that would require a connection between fees a municipality charges a developer and the development-related public costs incurred by the municipality passed the House 81-47 April 22.

HF2103, sponsored by Rep. Carla Nelson (R-Rochester), would amend state law that allows a municipality to charge development fees and require that land in a proposed commercial or housing development be dedicated for public infrastructure, conservation, or recreation purposes.

The bill now goes to the Senate, where Sen. Betsy Wergin (R-Princeton) is the sponsor.

Nelson said the bill “deals with growth,” and would provide “a connection between the fees charged (to a development) and the costs incurred.”

Rep. Barbara Goodwin (DFL-Columbia Heights) opposed the bill. “This bill is good for the builders association to try and get reduced fees and so forth.”

An amendment by Goodwin to gather information about water and mold damage to structures through the building permit process was ruled out of order, as was an amendment by Rep. Kent Eken (DFL-Twin Valley) that would require state fees to be reviewed for possibly exceeding the cost of a provided service.

“It’s prudent for us to practice what we preach,” Eken said.

The bill adds language to existing law that, “there must be an essential nexus between the fees or dedication ... and the municipal purpose sought to be achieved.” Such fees could not be used by a municipality for “ongoing operation or maintenance.”

When the House Local Government and Metropolitan Affairs Committee initially heard the bill the League of Minnesota Cities expressed opposition, but support came from the Builders Association of the Twin Cities.

In committee testimony, Tom Grundhoefer, league general counsel, said a law passed by the 2001 Legislature covered the same issue the bill would address. That law, Grundhoefer said, provided that a municipality’s fees are “fair, reasonable, and proportionate.”

Remi Stone, a lobbyist for the Builders Association of the Twin Cities, said that “more accountability” was needed on how a municipality used the fees.

Nelson said since the committee hearing, the bill was revised to address the concerns of its opponents and supporters.
Annual town audits
A new law signed by Gov. Tim Pawlenty April 22 will affect annual financial audit requirements for 2004 for cities or towns with populations of more than 2,500.

Effective April 23, 2004, the law increases the minimum annual gross revenue amount that triggers a state required audit for a small city or town from $500,000 to $670,500. Threshold amounts tied to the audit requirement will be annually adjusted for inflation after 2004.

Since towns were added in 1992 to the financial reporting law, the threshold amount has been $500,000.

The law was sponsored by Rep. William Kuisele (R-Rochester) and Sen. David Senjem (R-Rochester).

Kuisele testified before the House Local Government and Metropolitan Affairs Committee in February that the bill would help small local governments cut paperwork and potentially save money. An annual audit, which is often contracted for, costs the affected local government an estimated $2,000, Kuisele said.

HF1843/SF2903*/CH161

Payroll processing
Cities in Minnesota are authorized to use an electronic time recording system for payrolls, under a new law signed April 26 by Gov. Tim Pawlenty.

Effective April 27, 2004, the new law amends a section of law that governs the process by which statutory cities pay wages for city employees, as well as claims for goods and services.


The bill now goes to the Senate, where Sen. Michele Bachmann (R-Stillwater) is the sponsor.

HF2906*/SF2871/CH165

Charter commissions
The House passed a bill April 26 that could prevent members of a city council from serving on the city’s charter commission.

The vote was 125-0.

State law allows voters in cities governed by charters to petition a district court to appoint a charter commission to amend a city’s charter or draft a new one. A charter is a governing foundation document for a city, similar to a state constitution.

A city council can also request a district court to appoint a charter commission, or the court can appoint a commission on its own if it determines it is in a city’s best interest.

Rep. Ray Vandeveer (R-Forest Lake), the sponsor of HF1392, said the bill would amend state law to allow a commission-drafted charter or charter amendments — subject to approval by voter referendum — to propose that members of a city’s governing body cannot serve on the charter commission.

Vandeveer said the bill was drafted at the request of some Lino Lakes residents. A petition signed by several hundred residents in 2003, he said, sought to prevent city council members from sitting on a charter commission.

Vandeveer said the bill addressed “a good government issue,” but was not specifically drafted to resolve a local government conflict.

John Bergeson, Lino Lakes mayor, testified in support of the bill March 10 before the House Local Government and Metropolitan Affairs Committee.

The bill now goes to the Senate, where Sen. Michele Bachmann (R-Stillwater) is the sponsor.

HF1392/SF2903*/CH161

RECREATION

Stadium scrutiny
After three days of hearings by the House Taxes Committee centered around a proposal to build two new professional sports stadiums in the Twin Cities metropolitan area, the only solid clue about the bill’s future may come next week or perhaps not until the late innings of the 2004 legislative session.

HF3089, sponsored by Rep. Doug Stang (R-Cold Springs), would establish a regional stadium authority with the power to negotiate the public-private financing, locations, construction, and other details of proposed publicly-owned stadiums that would be leased to the Minnesota Twins and Minnesota Vikings.

“There is a feeling around here that if we do nothing, we’ll be all right,” Stang said. “But we cannot ignore this problem any longer. Our failure to act is going to result in real consequences for our state.”

The committee took no action following Stang’s April 27 presentation of a revised version of the bill, but more meetings are scheduled on April 30 and May 3. A companion bill (SF2536), sponsored by Sen. Steve Kelley (DFL-Hopkins), awaits Senate committee action.

Althought he opposes the bill as currently drafted, Rep. Ron Abrams (R-Minnetonka), the committee chair, said the extended hearings were not “an exercise in futility.” He said he wants the issue “heard fairly and fully.”

Major concerns committee members raised about the bill include proposed tax-increment financing as a funding mechanism for the state’s proposed one-third share of construction costs, and the power the proposed authority would have to negotiate the host community’s financing share — through stadium-related taxes and local sales tax — and to negotiate the professional franchise’s contribution, particularly “up-front cash.”

During April 28 testimony, Jerry Bell, president of Twins Sports Inc., said the club would agree to pay one-third of the cost of a ballpark,” but not “project costs,” as proposed in the bill. Bell said potential host communities — Minneapolis and Hennepin County, and the city of St. Paul — are aware that the team’s share would not cover site acquisition or clean-up costs for a proposed $500 million-plus stadium.

The city of Blaine and Anoka County are prospective host communities for a proposed $600 million football stadium for the Vikings.

Another issue committee members have yet to address is an opinion from the nonpartisan House Research Department that the bill may need a three-fifths majority (81 votes) to pass the House.

According to the analysis, paying off revenue
bonds issued by the Metropolitan Council for stadium construction with state income and sales taxes (via proposed stadium tax-increment financing) would mean that the bonds “will be public debt” as defined by the state constitution, and lead to the bill requiring a three-fifths majority. Stadium tax-increment financing is a different form of tax-increment financing proposed for the purpose of capturing increased player income and sales tax revenue generated by the new stadiums.

**Football on campus**

The University of Minnesota wants a state commitment to fund up to 40 percent of a proposed $222 million on-campus football stadium on its Minneapolis campus, but it’s willing to wait for the check.

The state’s potential $89 million share to build a new stadium would be contingent on the university raising $133 million – or 60 percent of proposed construction costs – from other sources, said University President Robert Bruininks.

He and other university officials reviewed the stadium proposal April 26 before the House Taxes Committee, which took no action.

There is no House companion to SF2825, sponsored by Sen. Geoff Michel (R-Edina), which would provide a 25 percent level of state funding for a 50,000-seat stadium that the university wants to build on parking lots east of Williams and Mariucci arenas.

“There is very significant non-public money out there,” Bruininks said, which the university hopes to raise enough of to “leverage a modest public investment.”

Gerald Fischer, president of the University of Minnesota Foundation, said that “consultative interviews” have indicated a potential $40 million to $60 million could be raised for the stadium. The study also indicated “serious interest” in corporate partnerships in the “tens of millions.”

The university has proposed that the state create a university stadium account in a special revenue fund. Before state payments toward the stadium are provided, according to the Senate bill, the state finance commissioner would certify the amount the university received for the stadium from private sources and “other non-state general fund revenue support.”

The university’s Board of Regents would issue bonds to finance stadium construction.

Richard Pfutzenreuter, university vice president and chief financial officer, said at this stage of the project he couldn’t predict what amount of the potential $133 million in private money the university hopes to raise would be bondable.

Referring to a university suggestion that the state provide $7 million a year to fund the stadium – and a typical 30-year period to pay off construction bonds – Rep. Tom Rukavina (DFL-Virginia) said, “the state will be on the hook” for up to $210 million.

The football team has played in the Metrodome since 1982. Prior to that year, home games were in the on-campus Memorial Stadium that was torn down in 1992 for a new alumni center.

Athletic director Joel Maturi said the university expects a new stadium to generate $3.5 million in additional annual revenue for intercollegiate athletics, assuming a 50,000-seat sellout of every home game. The Gophers have averaged 43,000 fans per game at the Metrodome during the past five years.

Football coach Glen Mason said that he’s no longer “sheepish” before fans and alumni regarding the Metrodome. “I think it stinks,” he said. “Put your money into something that’s not going to threaten to leave. We’re owned by the people of this state.”

**SAFETY**

One call says it all

A new law signed by Gov. Tim Pawlenty April 26 aims to ensure that excavating around public utilities is done in a safe manner by making some changes to the responsibilities excavators and utilities have under the Gopher State One Call system.

Gopher State One Call is a notification center designed to protect personal safety and pocketbooks in the excavation process.

The 1987 Legislature mandated the formation of a centralized statewide information center on the advice of a pipeline safety commission formed after a serious 1986 pipeline accident in the Twin Cities metropolitan area.

Under current law, homeowners and contractors are required to notify the nonprofit statewide call center of any intended excavations within 48 hours. An excavation means “an activity that moves, removes, or otherwise disturbs the soil by use of a motor, engine, hydraulic or pneumatically powered tool, or machine-powered equipment of any kind, or by explosives.”

Operators collect certain data from callers, including when, where, and how long the dig will be, and inform utilities with buried lines of the intentions to dig. The utilities are notified of excavation plans and mark with paint or flags the approximate location of their lines. Participating utilities include gas, electric, cable television, sewer, telephone, and water line operators. The utilities pay for the service, and participation is mandatory under state law.

According to the organization’s Web site, its operators handle more than 5 million communications per year.

Effective Aug. 1, 2004, the new law will make some technical changes to the blueprint requirements excavators follow during the bid process and modify the timeline for call center notification in both emergency and non-emergency situations.

Rep. Ray Cox (R-Northfield) and Sen. Dan Sparks (DFL-Austin) sponsored the legislation.

**SPRING FEVER**

John Doan, FAST Lanes program director with the Department of Transportation, kicks off his shoes and works outside on one of the benches across the street from department headquarters April 28 as the temperature topped 90 degrees.
Transferring duties

The House passed a bill April 26 that would transfer state tourism functions from the Department of Employment and Economic Development to a separate office in the executive branch to be known as Explore Minnesota Tourism. The vote was 126-0.

The way the office is currently configured no longer meets the needs of the industry, Rep. Gregory Davids (R-Preston), the sponsor of HF2044/SF2099*, said at a Feb. 19 meeting of the House Commerce, Jobs, and Economic Development Policy Committee.

Tourism in Minnesota generates annual revenues of $9 billion in sales and $1 billion in taxes, comparable to agriculture in its economic impact on the state. Despite these numbers, Minnesota has a “travel deficit,” said John Edman, deputy commissioner for the Office of Tourism, at the February meeting.

Minnesota is being outsold on tourism marketing by neighboring states, he said. With more people leaving the state than people coming here from other states, Edman said it is time to look at other funding mechanisms for promoting Minnesota travel.

For every dollar spent on the promotion of tourism by the state, it gets back $4.60 in taxes. By giving Explore Minnesota Tourism the flexibility to pursue public-private partnerships, the bill would make the office more effective at generating marketing dollars, Edman said.

The budget would move with the office, resulting in no net fiscal impact to the state.

The governor would continue to appoint the director, as well as up to 28 voting members of a new body, the Explore Minnesota Tourism Council, four of whom must be legislators, two from each political party.

Rep. Kathy Tingelstad (R-Andover) said she hoped the commission would include members from the House and Senate Environment and Natural Resources committees. “Minnesota is really a gem with regard to its parks,” she said.

In the Senate, where Sen. Thomas Bakk (DFL-Cook) is the sponsor, the bill passed 63-0 April 15. The bill now goes to the governor.

VETERANS

Leasing land

The Minnesota Veterans Homes Board may lease land on its Hastings campus to Dakota County for up to 60 years for the construction of permanent supportive housing for veterans and county residents, under a law signed April 22 by Gov. Tim Pawlenty.

The measure is necessary because the board currently has only a 20-year leasing authority, according to Sandra Larson, public affairs director for the board. The lease will cost the county $1 per year over the 60-year term.

Plans are for 30 units for veterans and 30 units for county residents. Currently, there is a 200-bed facility for veterans on the 128-acre campus.

The county plans to fund the facility through low-interest loans. The program is meant to be self-sufficient: neither the state nor the veterans will be asked for financial support, Larson said. Plans are not yet finalized.

“Our constituents are the veterans’ organizations,” Larson said. “We want to make sure they’re comfortable with it before we proceed. “It is a joint effort,” she said. “We have nothing to lose.”

The law is sponsored by Rep. Denny McNamara (R-Hastings) and Sen. Sharon Marko (DFL-Cottage Grove).

HF2688/SF2626*/CH160

Salute to Service

Col. Dennis Lord, center, executive director of the Minnesota National Guard, receives applause April 26 after being acknowledged by the House for his service in the armed forces. Honoring Lord are, from left, Rep. Lyle Koenen; Rep. Joe Atkins; Daniel Sundberg, a second lieutenant in the U.S. Army 1st Infantry Division leaving for Iraq on May 6; and his mother, Pat Sundberg; and Sgt. James Dronen, who was honored earlier by the House.

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Signaled by the governor
SCHOOL OF ROCK

Photos and text by Lisa M. Sanders

Right: Tour guide Richard Klein points to paintings in the Capitol Rotunda while guiding a group.
Far Right: Students take notice of the details in the Capitol Rotunda floor.
Below: A group of students encircle the star on the floor of the Capitol Rotunda.
The Capitol Historic Site program of the Minnesota Historical Society offers many different types of State Capitol tours throughout the year. During the spring many of those learning about the history, art, and architecture in the Capitol and seeing the Legislature in action are students visiting on field trips.

Left: A group of exchange students pose for a photograph on the Capitol steps. Below: Students tour the Quadriga on a recent trip.

Students mill around the State Capitol steps after a recent tour.

As their bus pulls away, students take one last look at the building.
Cargo conundrum

Plan would provide for economic development zone to help state businesses with international shipping costs

BY MIRANDA BRYANT

Two conflicting but corresponding issues are coming into play with a bill that would provide for a regional cargo distribution center in Minnesota: a growing international consumer market and concerns about terrorism.

Construction of an air freight cargo center for use by international shippers is at the heart of the initiative. Proponents say the distribution center, which would consolidate international air freight to get quantity discounts from the airlines, is necessary to help Minnesota businesses remain competitive in a world market.

According to the Greater Metropolitan Area Foreign Trade Zone, 80 percent of Minnesota products shipped internationally are first trucked to Chicago, which has 52 weekly international freight flights. Minneapolis has none.

Gov. Tim Pawlenty highlighted the issue in the State of the State address in February.

"Job creators in Minnesota need access to global markets for their products," Pawlenty said. "Too many businesses have to ship through Chicago, which drives up their transportation costs and creates a competitive disadvantage for Minnesota."

Furthermore, the federal government could require more thorough cargo screening measures. Proponents of the regional distribution center concept say screening would be better facilitated at one location.

"I think members of the public would be shocked at how little cargo really gets screened," said Rep. Ron Abrams (R-Minnetonka), chair of the House Taxes Committee.

Abrams’ bill (HF2298) would create an international economic development zone that is intended to stimulate development of the regional distribution center. Qualifying businesses within the zone could forgo for eight years many taxes, including commercial and industrial property taxes, individual income taxes, and corporate franchise taxes.

The measure is in the omnibus tax bill, which passed the House April 23. A companion bill (SF1801), sponsored by Sen. Ann Rest (DFL-New Hope), is being considered for inclusion in the Senate tax bill.

The bill’s international economic development zone would correspond with what is called a foreign trade zone, also known as a free trade zone.

Foreign trade zones are industrial sites located in or near U.S. Customs ports of entry where merchandise is considered legally outside the service’s territory. Foreign goods can be shipped to the zone and held duty free for as long as needed. Companies can assemble a product with foreign parts, store the products in the zone, and postpone duty payments until product sale.

More than $250 billion worth of goods falls under zone status in the United States, including more than $400 million in the Minneapolis-St. Paul foreign trade zone. The Greater Metropolitan Foreign Trade Zone Commission oversees six foreign trade zones in Minnesota, one of which encompasses the Minneapolis-St. Paul International Airport.

The bill requires the economic development zone to be created within 60 miles of the Minneapolis-St. Paul International Airport. According to a letter from Dakota County Commissioner Willis Branning, the city of Rosemount has land for the center at Highway 52 and County State Aid Highway 42.

However, some people are concerned about the proposal. Carolyn Jones, director of transportation policy with the Minnesota Chamber of Commerce, said the business community envisions an integrated approach.

A 2001 Metropolitan Airports Commission study recommended separation of traditional cargo and passenger operations at the state’s international airport, she said, and the creation of a distribution center at an existing regional airport. The study concluded that air cargo initiatives be treated as a common effort.

Said Jones, “We see this bill as part of a plan but we’re sort of asking ‘Where is the rest of it? What do we plan to do with our air cargo needs?’”

Because one-third of the 1,300 Minnesota businesses that ship internationally are in Greater Minnesota, regional airports outside the Twin Cities metropolitan area must be considered as well, said Rep. Al Juhnke (DFL-Willmar).

Jeff Hamiel, executive director of the Metropolitan Airports Commission, said at an April 20 committee meeting that there is a need for improved cargo capability at the state’s largest airport.

“Can we serve that market better with a new airport?”

Pawlenty highlighted the issue in his State of the State address in February. “We need to promote regional airports, particularly the Burnsville/Minneapolis-St. Paul International Airport. We need to eliminate unnecessary barriers to air cargo. We need to develop an air cargo strategy.”

Supporting the concept are the U.S. Department of Transportation, Hennepin County Board Chair Randy Johnson, Midwest Global Trade Association, and the Twin Cities Air Cargo Association.

The tax incentives are necessary for the regional distribution center, according to supporters, to offset the costs forwarders will incur in moving their operations to the new location.

While some legislators have questioned the need for the cargo center, Abrams is convinced developers are willing to build the necessary 1 million square foot building.

“But for these incentives, the opportunity goes away,” he said at a committee meeting.

A business plan is slated for release in September. If the tax incentive measure becomes law, construction could be instigated in 2005 or 2006.
Justice for all?
Plan would reduce the dollars allocated toward legal help for low-income people

BY MIRANDA BRYANT

A free service that helps low-income Minnesotans with civil legal problems such as housing evictions, workplace discrimination, and child support payments could receive a $1.57 million cut in state funding.

The House judiciary finance omnibus bill (HF2028), passed March 31 by the House, makes the cut to the civil legal services funding provided by the state and administered through the state Supreme Court.

Bruce Beneke, executive director of Southern Minnesota Regional Legal Services, told the House Judiciary Policy and Finance Committee that the proposed cuts would leave 4,000 to 5,000 low-income people without access to justice. Most cases relate to public assistance, housing, and domestic abuse.

older cases, negotiating settlements, and practicing preventative law. In 2003, preventing homelessness for more than 2,000 individuals saved nearly $4 million in state homeless shelter subsidies. More than $4 million was gained in child support for families through domestic abuse prevention and family law efforts. And about $5 million in health and disability benefits are captured each year.

Other benefits of civil legal services, Beneke said, include stabilizing families in crisis and keeping children in school.

The Minnesota Legal Services Coalition is comprised of seven organizations throughout the state that receive funding based on a proportionate poverty level, he said. Clients are referred to lawyers and paralegals at various law centers and legal aid groups.

Clients typically qualify by comparing their incomes to the federal government poverty guidelines. A single person could not make more than $18,620; a two-person family, $24,980; a family of four, $37,700.

Most often served are single-parent families, children, senior citizens, farmers, immigrants, refugees, and other low-income individuals “that have nowhere to turn,” Beneke said.

According to the coalition’s Web site, civil legal services provide: answers to legal questions, contact information for legal aid offices, and information on courthouses and community organizations. Clients can seek representation by a lawyer or a legal advocate, request information over the phone or in person, or attend clinics to discuss their issues with a lawyer or learn how to help themselves through a legal problem. Also available are educational materials, workshops, and referrals to private attorneys.

Previous funding reductions to civil legal services have reduced the attorney staff state-wide from 178 to 138, according to Beneke. The proposed cut could mean the loss of an additional 15 lawyers, he said.

The coalition expected some funding reductions, he said, but not to the degree proposed.

“I was a little surprised to see that civil legal services was singled out while other aspects of the court system were treated differently,” he said.

His comments touched off a debate between the chair of the committee, Rep. Steve Smith (R-Mound), the bill sponsor, and Rep. Michael Paymar (DFL-St. Paul). Paymar questioned why Smith didn’t consult the judiciary committee before penciling in the funding cut in the omnibus bill.

Smith said the proposed cut represents only a portion of legal services’ overall funding. Other sources are the federal government, fund drives, attorney fees, corporate grants, and interest on special bank accounts.

In looking at all service funding, the proposed 21 percent state reduction is “more like an 8 percent overall cut,” Smith said.

And despite the proposed cut, Smith said, Minnesota remains the fourth highest among the 50 states in state funding appropriations for civil legal services.

“It’s all relative,” Paymar responded. “If you want to race to the bottom, go ahead. But the fact of the matter is ... you’re balancing the budget on the backs of the poor.

“The governor and this committee (have) not provided sufficient money for the sex offender program, so where do you take it from? You take it from the poorest people who can’t afford legal services.” I think it’s unfair,” he concluded.

A separate, but related, bill sponsored by Smith was not included in the committee’s omnibus finance bill. HF2585 would appropriate $3 million to civil legal services by increasing certain court surcharges.

The $5 fee would increase to $7 for the indexing or recording of deeds and instruments, the filing of abstracts of titles, and the filing of certain documents related to multi-unit housing.

A companion bill (SF2480), sponsored by Sen. Jane Ranum (DFL-Mpls), awaits committee action.

The omnibus bill awaits action in the Senate, where Sen. Richard Cohen (DFL-St. Paul) is the sponsor.
‘Small bill’

$85.8 million revenue-raising tax bill passes House, differs in the Senate

BY MICHELLE KIBIGER

The House passed its omnibus tax bill, after nearly five hours of discussion, April 23 on a vote of 107-25. The bill would provide $85.8 million in additional revenue for the 2004-05 biennium, including $36 million in tax-related revenue from a separate bill that authorizes a casino at Canterbury Park.

Tax-related provisions in the bill total $49.6 million for the biennium.

Members proposed about a dozen amendments to the bill (HF2540), sponsored by Rep. Ron Abrams (R-Minnetonka). They dealt with issues such as local sales taxes, local revenues, personal rapid transit, foreign operating corporations, and alternative minimum taxes. Four items were amended onto the bill during discussion.

In addition, members addressed the fact that Abrams is serving his last term as chair of the committee. House rules dictate that a member may only serve three consecutive terms as chair of a committee with the same jurisdiction.

Members praised Abrams for his fairness and his ability to work together with all legislators regardless of party affiliation. He was more modest.

“Rep. Abrams, I really want to thank you for six years on the tax committee where you (were a) very, very fair chairman and a very well-educated chairman, I might add,” said Rep. Tom Rukavina (DFL-Virginia).

Abrams called the tax bill a smaller bill than many of its predecessors. Nevertheless, he touted the fact that it reflects fiscal balance.

The bill would bring the budget reserve to $290 million and move $350 million to the cash flow account. It would also add new spending priorities in the event the state has another budget surplus before a rebate may be considered:

• add to the cash flow account until it reaches $350 million,
• increase the budget reserve account until it reaches $635 million,
• restore any property tax revenue shifts for K-12 education, and
• move holdback payments for K-12 state aid up to 90 percent.

It also contains a number of proposals intended to raise revenue, adjust alternative minimum tax income exemptions, give the Department of Revenue additional powers to assure foreign operating corporations are adhering to regulations, phase in the change to the way corporate franchise taxes are calculated, and add a 5 percent franchise fee on card club revenue at the racetrack.

“Once again you’ve put together a bill that we can all be proud of,” said House Majority Leader Erik Paulsen (R-Eden Prairie). “This is not solving the real tax problems that we have.”

Two issues of great concern to members involved corporate taxes and the growth of alternative minimum taxpayers in the middle income ranges. Specifically, the bill would allow the commissioner of revenue to disqualify a corporation from filing as a foreign operating corporation if it has no substantial business in the state, has significant transactions that don’t reflect market prices, and its income is predominantly domestic on a multi-year basis. Such a finding would also result in a 15 percent surtax to the corporation.

In addition, the bill would increase the exemption allowed for the alternative minimum tax through 2006. By then, the exemption for a married couple filing a joint return would grow to $44,000 from the current level of $40,000 which, according to nonpartisan fiscal and research staff, would reduce the number of total filers under the alternative minimum tax by 39 percent. In addition, all tax filers with federal adjusted gross incomes less than $100,000 subject to the alternative tax would be reduced by 56 percent.

Congress created the alternative minimum tax in the 1960s to target 155 taxpayers who made more than $200,000 in income but paid no taxes. In basic terms, the tax operates parallel to the regular income tax system. It allows for fewer deductions, exemptions, and credits than regular income tax.

The move will cost the state $2.2 million in revenue for 2005 and is projected to cost $13.9 million in the 2006-07 biennium.

The bill would also phase out the charitable contribution limit for alternative minimum taxpayers.

Rep. Thomas Pugh (DFL-South St. Paul) unsuccessfully offered an amendment to limit dividend deductions for foreign operating corporations and to take the additional revenue that would provide and raise the income exemption limit for alternative minimum taxpayers at a faster rate than the current bill would.

“You take a step toward fixing the foreign operating corporations problem in the state of Minnesota,” Pugh said. “And you take a step toward fixing the problem for middle-income Minnesotans … with adjustments to the alternative tax.”

The omnibus tax bill establishes that a production tax would not be imposed on a facility until annual direct reduced ore production reaches a specified level.
minimum tax. My purpose is to make that shelter... less attractive for corporations.”

“…This would work in conjunction” with the overall tax bill, he said.

Abrams noted the advantage to the provisions in the amendment, but cautioned that the department should be given some time to work with the issue, because most corporate tax returns will not be available until later this year.

One amendment that did succeed was offered by Rep. Tom Rukavina (DFL-Virginia). It would exempt homesteaded property owned by a veteran, who was honorably discharged from the armed forces and suffered a total and permanent service-related disability, from paying property taxes.

In the Senate, where Sen. Lawrence Pogemiller (DFL-Mpls) is the sponsor, the bill was amended and passed April 29. A conference committee is expected to work out the differences.

Among the other significant provisions are the following highlights.

Corporate franchise taxes

The bill would phase in a new structure for calculating corporate franchise taxes. Under current law, Minnesota taxes are calculated by a formula that weighs sales in the state at 75 percent, and both property and payroll at 12.5 percent.

Under the bill, sales would bear the full 100 percent by 2012, which proponents say increases the incentive for businesses to physically locate in the state and pay employees good salaries.

The provisions were initially part of several bills heard by the committee and sponsored by Abrams, Rep. Ann Lenczewski (DFL-Bloomington), and Rep. Connie Ruth (R-Owatonna).

Tobacco provisions

Sales taxes on cigarettes would be collected at the wholesale level, based on the gross invoice price of distributors. The provision is an attempt by the Revenue Department to increase compliance in payment of the tax. It was introduced as part of the department’s policy bill, sponsored by Abrams.

In addition, delivery sales of tobacco products, typically from the Internet, would be regulated under the bill, including requirements that sellers verify the identity of the purchaser upon delivery and that shipped packages only be delivered to adults, as verified by a signature.

The provisions were initially part of HF2912, sponsored by Rep. Kurt Zellers (R-Maple Grove).

Economic development zone

The bill would also create an international economic development zone within 60 miles of the Minneapolis-St. Paul International Airport.

Under a provision in the omnibus tax bill, property tax payers who file their claims electronically through county systems such as this would be eligible to receive their refunds early.

The provisions were initially part of HF2298, sponsored by Abrams.

Ore production

The bill would redefine commercial production for the purpose of calculating the production tax on direct reduced ore. No tax may be charged, under the bill, until production levels reach 50,000 tons per year. Production under that threshold is considered an experimental/research phase.

However, once production hits 50,000 tons per year, it will be considered a commercial enterprise from that point forward regardless of production levels, and taxes will be phased in on a percentage basis during the first six years of commercial production.

The ore provision was initially contained in HF2083, sponsored by Rep. David Dill (DFL-Crane Lake).

Miscellaneous provisions

Personal Rapid Transit systems would receive certain sales tax exemptions under the bill, as initially provided in HF1687, sponsored by Rep. Mark Olson (R-Big Lake). The bill was amended on the House floor to provide for a sunset of the provision within three years of completion of a public safety certification and training facility for any qualifying project.

Property tax payers would be eligible for their refunds early if they file their claims electronically, as offered in HF2692, sponsored by Rep. Jeff Johnson (R-Plymouth).

The Sauk River Watershed District may increase its levy by $100,000 to $350,000 under the bill, as part of HF2841, sponsored by Rep. Doug Stang (R-Cold Spring).

Life insurance premiums would be subject to a 1.5 percent premium tax as of 2009, under the bill. The amount would be reduced by one-tenth of a percent each year. The premium tax provision was initially part of HF2501, sponsored by Abrams.

Corporate income may not be reduced for lease-in/lease-out or sale-in/lease-out transactions with governments that only serve as a tax shelter for corporations, part of HF2263, sponsored by Abrams.

Sales taxes for motor vehicle leases would be calculated and paid at the time the lease is purchased, under the bill, rather than on each monthly payment. The provision is a Revenue Department initiative.

Income tax payers may subtract up to $10,000 for travel and lodging expenses and lost wages related to live organ donation, part of HF2048, sponsored by Paulsen.

Taxpayers may distribute among their children benefits of the $2,000 family cap when using the K-12 education credit, though they may only claim expenses for two children, part of HF2772, sponsored by Rep. Jim Knoblach (R-St. Cloud).

Retail businesses would no longer qualify for incentives under the job opportunity building zones program, as provided in HF2316, sponsored by Rep. Tim Mahoney (DFL-St. Paul).

Minnesota tax law would conform to new federal provisions, particularly with regard to taxable military income and deductions for contributions to health savings accounts. The health savings account provisions were part of HF1742 and HF1976, sponsored by Knoblach and Rep. Tim Wilkin (R-Eagan).

The Camp Ripley game refuge in Morrison County would receive a payment in lieu of taxes, contained in HF2928, sponsored by Rep. Greg Blaine (R-Little Falls). Payments in lieu for land utilization project lands would be increased from 37.5 cents per acre to 96 cents per acre under the bill, initially provided in HF1740, sponsored by Rep. Irv Anderson (DFL-Int’l Falls).

Electric generating plants would be eligible for personal property exemptions, as long as the siting plan is approved by the host county and city. The provision includes partial exemptions for existing plans increasing their initial capacities.

In-home day cares would be treated as a residential property for tax purposes, under the bill, as provided in HF2200, sponsored by Rep. Doug Magnus (R-Slayton).
Law teacher

Biernat to retire from House, return full time to post at Hamline University law school

BY MIRANDA BRYANT

Rep. Len Biernat will have plenty of real-life cases to offer when teaching legal ethics and professional responsibility to Hamline University law students — and more time in which to present them. The four-term legislator is not seeking re-election.

The DFL representative from northeast Minneapolis has always viewed his job as a legislator to be part-time and temporary. “I think I’ve made a good commitment to public service and it’s time to rotate out,” Biernat said.

The 57-year-old has been a Hamline law professor for 30 years, modifying his schedule annually to accommodate legislative sessions. Retiring from the House allows him to return to the classroom full time.

He leaves the Legislature with mixed feelings. Retiring would be more difficult, he said, if his party were in the majority. Biernat’s eight years at the Capitol have been spent with a Republican or Independence Party governor at the helm.

Biernat was seldom vocal during the 2004 session on the House Civil Law Committee, despite the fact that he was the DFL lead. This is largely because the Republicans had an 8-4 lead on issues when partisan politics were at play, he said.

“No there’s really not a lot of arguments you can make,” he said, adding that he did try to point out when proceedings and bill components were irrational.

Ironically, Biernat first sought election as a state representative due to a feeling of powerlessness in crafting true reform. While serving for seven years on the Minneapolis School Board, he realized that the real ability to initiate education reform rested at the State Capitol.

Biernat wanted to make a difference, inspired as he was by his father. Ted Biernat served as a state representative from 1949 through 1957. “I always looked to him as a youngster and I wanted to emulate that role,” Biernat said.

In his father’s day, the Legislature met at most for six weeks in a year, and members chose a label of either “conservative” or “liberal” instead of political parties. Ted Biernat was a liberal.

“As he became older, he became more conservative,” Biernat said. “As I become older, I become more liberal.”

Biernat said his political leanings are a result of his career background, which began with teaching high school. He later taught English as a first lieutenant in the U.S. Army, attended law school, and began teaching law. During this period he explored constitutional law and became committed to the idea of protecting the less fortunate and helping the downtrodden.

Now he inspires students at Hamline to get involved in politics, to run for office, and to craft good policy. He advises them to become active in community efforts and to keep the common good in mind.

“Politics is the art of compromising,” Biernat said. “You can’t get it all done in one step.”

In serving on the House Civil Law, Education Finance, and Education Policy committees, Biernat and his style have been respected by others. While he doesn’t enjoy the floor sessions, in part because of the grandstanding that can occur, he likes the intensity and realism of committee debates.

“In committee I have always appreciated and admired Rep. Biernat’s analysis of the issues,” said Rep. Chris DeLaForest (R-Andover), vice chair of the House Civil Law Committee. “I always found him to be a cordial and fair-minded person.”

Mindful of his constituents’ interests, Biernat has focused his legislative career on policies related to education, property taxes, prescription drug pricing, and the quality of life for senior citizens.

“Recognizing that students need more time,” he lobbied to add three days to the traditional school year and to require summer school for those failing the basic skills test. And he proposed linking a teenager’s ability to get a driver’s license to school attendance.

Biernat, whose wife, Christine Jax, was the state education commissioner under Gov. Jesse Ventura, also worked to get school funding off the property tax rolls. But the effort has been rendered useless, he said, by the fact that most districts can now ask voters to approve adding operational levies to property tax calculations.

Realizing that this, among other efforts, has been repealed or undone by the changing political scene has been sobering, he indicated. “That’s been kind of a disappointment.”

But Biernat intends to stay tuned to legislative action, particularly family law matters, and to continue connecting the classroom experience with real-life situations at the Capitol.

“Hamline University is not that far away,” he said.
Despite setbacks that might prove daunting to others, Rep. Dick Borrell (R-Waverly) said he has stood firm in his views and worked hard for his district in his first and, probably, only term as a legislator.

He said highlights of his term have included balancing the budget, the so-called woman’s right-to-know law, “concealed-carry,” tort reform, restricting same-sex marriage, and repealing the Profile of Learning.

“I don’t think we’ve had accomplishments like that in a long time. And we may not in the future,” he said.

Borrell himself will not serve in the House in the future. He said his decision to not seek re-election was influenced by the death of his 47-year-old brother on Oct. 31, 2003.

“This job takes up an awful lot of your life,” he said. “I’m perfectly willing to have someone else do it and have more of what’s left of my life to enjoy.”

The decision was not based on political pressures surrounding recent legal problems, he noted.

In January, Borrell pleaded guilty to a charge of false campaign advertising, agreeing to pay $1,500 in court costs and to apologize to his opponent and the Wright County attorney.

A second incident relating to an airport arrest after a loaded gun was found in his carry-on baggage is also behind him. “I paid the fine and entered the plea,” he said.

He has had a permit to carry a handgun for about 15 years and said he forgot the gun was in his bag.

“It’s like having your wallet — it’s kind of a part of things,” he said. “I just didn’t empty the bag.”

Borrell, a former Marine, has been a long-time supporter of the so-called “concealed-carry” law. A sign on his office door reads: “Concealed Weapons Welcome Here.” After KSTP-TV did a story on that sign, he added a new one reading, “Celebrate Diversity” with drawings of 20 different handguns.

“I’m not one to back away from controversy,” he said.
Call, visit, watch, or log on…

Legislative information is available at your fingertips

Keeping track of what’s happening at the Minnesota Legislature continues to get easier.

While the traditional methods such as visiting the Capitol and calling on the telephone are still useful ways to get the information you need, the newest technological methods on television and the Internet have made your choices better than ever.

An award-winning Web site

Since the Legislature’s World Wide Web site went online in 1996, more than 230 million hits have been received. The site receives nearly one million hits per week on average during the year and well more than one million hits per week during the busy legislative session.

The site was honored in 2001 with an Eagle E-Government Award as The Council of State Governments named it the Best Legislative Branch Site. Among the criteria used in judging was: site design; how the site makes state government more accessible; the use of technological innovation, including online transactions; and how the site streamlines the government process.

Accessing information using your fingertips and a mouse begins by directing your browser to http://www.leg.mn, the Legislature’s main page.

The site layout is often updated to make it visually simple but also easy to navigate. Users can use drop-down menus and hyperlink text to get to the information.

A mere click of a mouse button takes a user to both the House and Senate main pages. Easy access is also provided to other areas, including: member information, committee information, and schedules; Minnesota Statutes; Session Laws and Rules; joint legislative departments and commissions; youth pages; general information; legislative district information; and employment opportunities.

On each member’s page is a link to their e-mail address so a user can easily contact his or her elected official.

One of the more popular options is the bill tracker. From the House and Senate pages, users can read any bill and track its status through the legislative process. For those not familiar with the legal language used to draft bills, easy-to-understand summaries are also available. Bills can be searched by number, keyword, or author.

Both the House and Senate sites offer Internet streaming video of floor sessions, select committee hearings, press conferences, and other special events. The service features unedited, live, and recorded coverage. For archived events an index is provided making it easy for users to find the specific bill or topic they wish to view, without having to weed through hours and hours of coverage. A Windows Media Player plug-in viewer is needed to watch the events unfold. A link to install that program is provided.


Schedules delivered to you

House committee schedules are available on the Web site at http://ww3.house.mn/hinfo/hinosched.asp. Senate schedules are online at http://www.senate.mn/schedule.

Constituents with e-mail service can receive committee schedules from both the House and Senate without having to request them each day.

Updated daily, the schedules give specific information about which committees are meeting on a particular day, the time and location of the meeting, and general topic agendas.


E-mail is an increasingly common and efficient way for constituents to contact their legislators. Lawmakers regularly respond to signed messages, and they prefer that correspondents include their full names and addresses.
House Public Information Services provides coverage of action on the House floor and selected committee hearings on Channel 17 in the Twin Cities and local cable systems throughout the state.

Come on down
Technology is a wonderful asset for governmental information, but the best way to find out what’s happening at the Capitol is to witness it in person. A good place to begin your visit is at the House Public Information Services Office, located in Room 175 of the State Office Building, directly west of the Capitol.

The office has a series of informational and educational publications designed to make the legislative process understandable and accessible for all.

Office staff can quickly determine in which House and Senate district you live and provide you with the name, office number, phone number, and e-mail address of your representative and senator.

Committee schedules are available at the office, as are issues of the award-winning newsmagazine Session Weekly, a free publication covering weekly House activities during session. To have this thorough wrap-up mailed directly to your home or business, call or stop by House Information, or complete the subscription form on the House Web site at http://www.house.mn/hinfo/subscribe.sw.asp. Likewise, Senate Briefly, which covers weekly Senate activities, is available online at http://www.senate.mn/briefly/index.htm.

Session Daily is the online companion to Session Weekly. Located at http://www.house.mn/hinfo/sdaily.asp it offers news from the House on a daily basis, so you can stay on top of the major events at the Capitol. Brief, informative updates about committee and floor action are posted before 8 a.m. Monday through Friday. Links to useful resources, such as bill introductions and reports or documents, are also offered. Each day’s version is also archived by date and topic.

Pick up the phone
A wealth of information is also available via the telephone. The House Public Information Services Office can answer general questions regarding the legislative process and who your legislators are. They can also direct you to other offices for additional information. Call the information office at (651) 296-2146 (voice), (651) 296-9896 (TTY), or 1-800-657-3550 (voice and TTY).

You don’t need to leave home to obtain copies of House bills, either. Simply call the House Chief Clerk’s Office at (651) 296-2314 and they’ll mail you a copy. If you don’t know who sponsored a bill or what a particular bill’s House File number is, call House Index at (651) 296-6646. They can also give you the status of a bill.

If you have a concern about a pending bill or a policy issue, call your legislator.

A voice version of the House committee schedule is available at (651) 296-9283. For similar information in the Senate, call (651) 296-0504 or 1-888-234-1112.

Tune in
Television coverage of the Legislature is available in the Twin Cities metropolitan area on KTCI-TV, Channel 17. Coverage also is included throughout Greater Minnesota on more than 30 cable providers’ services. Check with your local cable system for availability. All broadcasts are closed-captioned and schedules are available from House Public information Services. Call (651) 297-1338 or visit the House and Senate Broadcast Television Schedule page at http://www.house.mn/htv/htv.asp.

Live coverage of floor sessions and committee hearings is provided throughout the day, and taped coverage is played between live proceedings.

Frequently used Web links

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<td>Session Weekly on the Web</td>
<td><a href="http://www.house.mn/hinfo/swmain.asp">http://www.house.mn/hinfo/swmain.asp</a></td>
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<td>Office of the Secretary of State (Elections &amp; Candidate Information)</td>
<td><a href="http://www.sos.state.mn.us">http://www.sos.state.mn.us</a></td>
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Frequently called numbers

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<tr>
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<td>1-800-657-3550 toll free voice and TTY</td>
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<tr>
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<td>1-888-234-1112 toll free voice</td>
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<tr>
<td>1-888-234-1216 toll free TTY</td>
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<tr>
<td>Chief Clerk’s Office (copies of bills)</td>
<td>651-296-2314</td>
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<tr>
<td>Office of Secretary of the Senate</td>
<td>651-296-2344</td>
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<tr>
<td>House Index (bill status)</td>
<td>651-296-3962</td>
</tr>
<tr>
<td>State Capitol Information Desk</td>
<td>651-296-2739</td>
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Tracking new laws, vetoes

Once a bill has passed both the House and Senate in identical form, it’s ready to be sent to the governor for consideration. The governor, who has several options when considering a bill, can:

• sign the bill and it will become law;
• veto the bill;
• line-item veto individual items within an appropriations bill;
• or do nothing, which can have two different effects. The timing of these actions is as important as the actions themselves.

In the second year of the biennium (even-numbered years), as this year is, a bill passed by the Legislature and presented to the governor before the final three days of the session will become law unless the governor vetoes it by returning it to the Legislature within three days. The governor normally signs the bills and files them with the secretary of state, but his signature is not required.

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

Only on appropriations bills can the governor exercise the line-item veto authority. This option allows the governor to eliminate the appropriation items to which he or she objects. As with all vetoes (save pocket vetoes) the governor must include a statement listing the reasons for the veto with the returned bill. Here, too, the timetable is either 14 days after adjournment for bills passed during the final three days of the session, or within three days after the governor receives the bill at any other time.

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

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

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

This information is also available on the governor’s Web site (www.governor.state.mn.us). Select the “Legislation” link.

Key:

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

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<tr>
<td>134</td>
<td>921</td>
<td>906*</td>
<td>Sex offender treatment co-payments authorized.</td>
<td>2/17/2004</td>
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<tr>
<td>135</td>
<td>973</td>
<td>1015*</td>
<td>Veterans Affairs Dept. authorized to access taxpayer ID information to notify veterans of health hazards.</td>
<td>2/26/2004</td>
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<tr>
<td>136</td>
<td>1794*</td>
<td>1615</td>
<td>Airport federally funded projects minimum required local contribution decreased.</td>
<td>3/10/2004</td>
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<tr>
<td>137</td>
<td>480*</td>
<td>837</td>
<td>Job reference information, school violence data, and employee personnel records disclosure regulated.</td>
<td>3/22/2004</td>
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<tr>
<td>138</td>
<td>1743</td>
<td>2182*</td>
<td>Public utility performance-based regulation plan purpose modified.</td>
<td>3/19/2004</td>
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<td>139</td>
<td>1980</td>
<td>1799*</td>
<td>Watershed and soil and water conservation district officers conflicts of interest clarified.</td>
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<tr>
<td>140</td>
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<td>1814*</td>
<td>Metropolitan Council government electronic funds transfer use authorized.</td>
<td>3/19/2004</td>
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<tr>
<td>141</td>
<td>1935</td>
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<td>Storm and sanitary sewer financing provisions modified.</td>
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<tr>
<td>142</td>
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<td>Noncommercial sign ordinance exemption provided during state general election years.</td>
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<tr>
<td>143</td>
<td>1064*</td>
<td>1197</td>
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<tr>
<td>144</td>
<td>1702</td>
<td>1748*</td>
<td>Emergency medical services provisions modifications.</td>
<td>3/26/2004</td>
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<td>145</td>
<td>2491</td>
<td>2498*</td>
<td>Domestic abuse ex parte protection or temporary restraining orders effectiveness.</td>
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<tr>
<td>146</td>
<td>1803</td>
<td>1745*</td>
<td>Trust law provisions modified and guardianship and conservatorship law changes provided.</td>
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<tr>
<td>147</td>
<td>1855</td>
<td>1903*</td>
<td>Counties hazardous buildings and property removal authority.</td>
<td>4/2/2004</td>
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<tr>
<td>148</td>
<td>2878*</td>
<td>2537</td>
<td>Dr. Norman E. Borlaug World Food Prize Day designated.</td>
<td>4/2/2004</td>
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<tr>
<td>149</td>
<td>339</td>
<td>40*</td>
<td>Minors personal injury or property damage parental liability limit increase; graffiti civil.</td>
<td>4/2/2004</td>
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<tr>
<td>150</td>
<td>2105*</td>
<td>2632</td>
<td>Iron Range Resources and Rehabilitation Commissioner’s Office established.</td>
<td>4/2/2004</td>
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<tr>
<td>151</td>
<td>2118</td>
<td>2063*</td>
<td>Local government units financial institution deposits collateralization requirements clarification.</td>
<td>4/2/2004</td>
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<tr>
<td>152</td>
<td>2033</td>
<td>1958*</td>
<td>Towns electronic or wire transfer payments and credit card or electronic payments acceptance authority.</td>
<td>4/6/2004</td>
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<tr>
<td>153</td>
<td>1805</td>
<td>1621*</td>
<td>Mortgage satisfaction certificates and assignments or releases.</td>
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<td>154</td>
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<td>1653*</td>
<td>Real property survey and monument requirements modified.</td>
<td>4/8/2004</td>
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<tr>
<td>155</td>
<td>2651*</td>
<td>2347</td>
<td>Interstate Compact for Adult Offender Supervision amended and interstate compact repeal delayed.</td>
<td>4/14/2004</td>
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*The legislative bill marked with an asterisk denotes the file submitted to the governor.
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<td>2499</td>
<td>Five-level correctional facility classification system authorized.</td>
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<tr>
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<td>1693</td>
<td>Mineral tailing deposition into mine pits permitting clarified.</td>
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<td>158</td>
<td>3005*</td>
<td>2840</td>
<td>County seat voting times modified.</td>
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<td>159</td>
<td>1817</td>
<td>1614*</td>
<td>Service animal injuries criminal penalty and restitution requirement.</td>
<td>4/19/2004</td>
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<td>160</td>
<td>2688</td>
<td>2626*</td>
<td>Hastings veterans home property leasing authority.</td>
<td>4/22/2004</td>
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<tr>
<td>161</td>
<td>1843</td>
<td>2903*</td>
<td>Towns annual audits subjection expansion.</td>
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<tr>
<td>163</td>
<td>995*</td>
<td>1268</td>
<td>Notice and plan requirements modified for excavating around utility facilities.</td>
<td>4/26/2004</td>
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<tr>
<td>164</td>
<td>1944*</td>
<td>1797</td>
<td>Domestic abuse orders for protection grounds expanded.</td>
<td>4/26/2004</td>
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<tr>
<td>165</td>
<td>2906*</td>
<td>2871</td>
<td>Payroll processing efficiency increased for local governments.</td>
<td>4/26/2004</td>
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<tr>
<td>166</td>
<td>2502</td>
<td>2609*</td>
<td>Mental health community representative included on a community transition team.</td>
<td>4/26/2004</td>
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**Bill Introductions**

**April 23 - 29, 2004**

**House Files 3186 - 3188**

**Friday, April 23**

**HF3186—Eken (DFL)**

Health & Human Services Finance

Negotiated blended budget-neutral nursing facility rate authorized for a county in northwestern Minnesota.

**HF3187—Sertich (DFL)**

Jobs & Economic Development Finance

Greater Minnesota business development investments program established, and money appropriated.

**Thursday, April 29**

**HF3188—Cox (R)**

Taxes

Special taxing district definition expanded to include soil and water conservation districts.

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**Where to find information**

House Public Information Services

175 State Office Building

(651) 296-2146 or 1-800-657-3550

House Public Information Services is a nonpartisan office that provides committee meeting schedules; legislator information; and publications, including the Session Weekly newsmagazine, educational brochures for all ages, and member directories. All information is available at no charge.

Most of what this office publishes can be viewed on the Legislature’s World Wide Web page. To connect, point your web browser at: [http://www.leg.mn](http://www.leg.mn)
Transportation in Minnesota

Total miles of streets and highways in Minnesota .............................................. 135,490
Miles in state trunk highway system ................................................................. 11,933
Percent of annual vehicle miles of travel done on state trunk highway system ...... 11
Bridges in Minnesota in 2003 .............................................................................. 12,976
Percent of state highway bridges that are deficient for any reason ...................... 13
National average, as percent ............................................................................... 26.6
National rank, in size, of Minnesota’s highway system ...................................... 5
Number of licensed drivers in the state in 2002 ................................................. 2,997,058
Millions of motor vehicles registered in 2002 .................................................... 4.52
Billions of vehicle miles traveled in 2002 ............................................................ 54.56
Minnesota traffic deaths in 2003 ...................................................................... 646
In 2002 ............................................................................................................... 657
Of 2002 fatal incidents, those involved in an alcohol-related crash .................... 239
Average time it took, in minutes, to clear an urban freeway incident
  in the Twin Cities metropolitan area in 2002 .................................................. 36.3
Minutes in 2000 ................................................................................................ 34
Percentage of miles on the Twin Cities freeway system congested
  during rush-hour peak periods in 2002 ............................................................ 19.9
Year that a state highway commission was created to build roads and bridges ....... 1905
Year the commission was abolished and Department of Highways created .......... 1917
Year Minnesota Department of Transportation was created .............................. 1976
Transportation Department budget for fiscal years 2004-05, in billions .............. $4.09
Transit systems in the state .............................................................................. 106
Millions of trips provided annually by these systems ........................................... 93
Percent of Minnesota workers using public transportation in 2002 .................. 3.7
Year Minnesota’s first railroad was constructed ................................................. 1862
Miles of railroad in state in 1930 ....................................................................... 9,362
Miles in 2001 .................................................................................................. 4,504
Miles of commercial waterways in Minnesota .................................................. 231
Percent, as approximate, of grain shipments from the state that travel
  by barge, large vessel or saltwater ship ........................................................... 75

Sources: Minnesota Department of Transportation; Minnesota Department Results; Minnesota
Safety Council; Minnesota Department of Finance; State Rankings 2004: A Statistical View of the
50 United States; CQ’s State Fact Finder 2004.