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# SESSION Weekly

MINNESOTA HOUSE OF REPRESENTATIVES • PUBLIC INFORMATION

FEBRUARY 27, 2004  
VOLUME 21, NUMBER 4

In this issue:

SCHOOL TRUST FUND LANDS

SALES TAX PROCEEDS FOR THE ENVIRONMENT, AND MORE

HF2309-HF2564

# Session Weekly

*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: The second floor with the House Chamber in the north wing of the State Capitol.

—Photo by Tom Olmscheid

# Enhancing the environment

Legislators revisit concept to amend constitution, dedicate a portion of sales taxes to natural resources

By NICOLE WOOD

Lawmakers are again debating the prudence or folly of dedicated funds in response to the most recent reincarnation of a bill that proposes a constitutional amendment to permanently dedicate a percentage of state sales taxes to the environment.

The bill, sponsored by Rep. Tom Hackbarth (R-Cedar), would ask voters in the November general election to decide whether one-quarter of 1 percent of taxable sales in Minnesota should be dedicated to the state's fish, wildlife, and habitat.

estimated \$170 million annually, according to Hackbarth — would be dedicated in the following manner:

- 38 percent to improve, enhance, or protect fish, wildlife, and habitat;
- 35 percent for water resources protection and restoration; and
- 27 percent for parks, trails, and zoos.

The expenditures would be broken down further by fund.

The parks and trails fund would be divided as follows: 38 percent for state park and recreation area purposes; 30 percent for metropolitan area

be spent on payments to private landowners for fishing and hunting privileges.

Clean water fund disbursements could only be spent on monitoring, investigations, water quality analysis, and project assistance to state and local entities and organizations to protect and improve water quality.

Noticeably absent from the bill is any mention of forests, said Dave Zumeta, Minnesota Forest Resources Council executive director. He requested that legislators consider adding a state forest legacy account and funding for sustainable forestry and technical forest management programs.

The bill is explicit that the revenue may not be used as a substitute for traditional sources of funding, but rather is meant to supplement those monies, and land acquired with heritage enhancement account dollars must be accessible for public hunting and fishing during managed open seasons.

The bill differs from past attempts to dedicate sales tax in two key ways: it does not propose raising the state sales tax rate above the current 6.5 percent, and it contains a funding mechanism to address the state's emerging impaired waters problem.

Proponents of the concept, including representatives from hunting, fishing, parks, trails, and conservation organizations, said they are seeking a permanent, stable funding source for environmental efforts.

Some legislators questioned which areas of general fund spending would be trimmed to cover the dedicated funds without raising taxes.

"If the voters are saying they want this done, we'll have to adjust the budget accordingly," Hackbarth said.

The dedicated amount breaks down to 25 cents out of every \$100 of sales tax, said Lance Ness, Fish and Wildlife Legislative Alliance president. "To many of us that seems like a small portion to pay for parks and trails and zoos and ... future generations."

Of the \$28.4 billion allocated from the general fund for fiscal years 2004 and 2005, 1.2 percent was directed toward environment and natural resources, according to the non-partisan House Fiscal Analysis Department. Comparatively, all education funding totaled



PHOTO BY ANDREW VONBANK

Members of the House Environment and Natural Resources Policy Committee listen to public testimony Feb. 24 on a bill that proposes a constitutional amendment to dedicate a portion of state sales taxes to natural resources go before voters in the November election.

The House Environment and Natural Resources Policy Committee approved the measure (HF1166) Feb. 24. It now goes to the House Governmental Operations and Veterans Affairs Policy Committee.

If voters were to acquiesce, parks and trails, heritage enhancement, and clean water funds would be created in the state treasury, along with new heritage enhancement and clean waters councils to advise the governor on policy and oversee fund expenditures.

The proposed administrative structure differs from current practice, where the Department of Natural Resources is responsible for game and fish budgeting.

Under the bill, the money generated — an

regional park and trail grants; 18 percent for non-metropolitan regional park and trail grants; 11 percent for state trail purposes; and 3 percent combined for the Minnesota Zoological Garden, the Como Park Zoo and Conservatory, and the Lake Superior Zoo in Duluth.

Similarly, under the bill, the heritage enhancement fund would be subject to certain caveats: at least 72 percent of the dollars must be spent on specific fish, wildlife, and habitat projects and 25 percent must

## Proposed ballot question in HF1166

"Shall the Minnesota Constitution be amended to provide funding beginning July 1, 2005, to improve, enhance, or protect the state's fish, wildlife, and habitat; its parks, trails, and zoos; and its water resources by dedicating the sales and use tax receipts equal to the state sales and use tax of one-fourth of one percent on taxable sales until the year 2025?"



about 50 percent, and health and human services were funded at 25.8 percent.

"We know that when we get into tough times, these (environmental) areas get hit harder than others," said Rep. Dennis Ozment (R-Rosemount).

"There's not a person in the room who does not support additional environmental funding," said Rep. Jean Wagenius (DFL-Mpls). But, she asked, should it be done at the expense of education and aid to local governments?

"If somebody wants to do the same thing for education or transportation, power be to them, but this is what we're doing for the environment," said Rep. Tony Cornish (R-Good Thunder).

Competing interests, however, could be one of the reasons the bill stalled in previous years.

The House sponsor pulled his bill in 2002 over frustration at an attempt to add a separate constitutional amendment for education to the proposition. That sponsor was Mark Holsten, who is now the DNR deputy commissioner. The dedicated amount in that bill was three-sixteenths of 1 percent of taxable sales.

Gov. Tim Pawlenty and DNR Commissioner Gene Merriam have said they support the concept of dedicated funds for conservation, though neither testified at the hearing.

Although no one testified against the concept of increased environmental funding, not everyone is on board with the method put forth in the bill.

"The Legislature needs flexibility in budgeting and should not lock certain funding into the Constitution," said Tom Hesse, Minnesota Chamber of Commerce vice president of government affairs.

Hesse described dedicated funds as relics of past century budgeting strategies.

Dedicated funds should have a direct relationship between the intended expenditures and the source of revenue, according to a policy statement on the chamber Web site. "Dedicated funds, especially ones financed by business taxes or fees, have been abused by the Legislature."

Rep. Mark Olson (R-Big Lake) expressed reservations about amending the Constitution when the net gain for the environment was unclear.

"How many years will it take for inflation to consume the increases?" he asked, though he said he would abstain from opposing the measure until reviewing an inflationary index and other figures.

"It's really a short term fix in a long term document – the Constitution," he said.

A companion bill (SF401), sponsored by Sen. Dallas Sams (DFL-Staples), has cleared two committees and awaits action in the Senate Finance Committee. 🐾



## Ahead of the game

**Minnesota human rights legislation advocated a decade prior to national law**

War-related industries during World War II created an economic boon for many Minnesotans. However, as the war drew to a close, Gov. Edward Thye expressed concern regarding what would happen once the war-related industries began to dwindle.

Of primary concern were African-American workers in the state. Thye appointed a commission to draw attention to the poor economic conditions among African-Americans, due in large part to widespread discriminatory practices in both housing and employment.

The commission's first report, released in 1945, painted a picture of despair among African-Americans in Minnesota, who lived primarily in the urban areas.

In the report's introduction, Thye noted that the commission must ascertain why black Minnesotans were being denied employment. In addition, the commission emphasized that African-American youth were going to either leave the state or lose hope for good employment, and that ultimately the state could not afford that economic loss.

"The employer...opens or closes the gate to food, clothing, and shelter, for it is only through a wage check that the average urban dweller can obtain any of these goods."

Black Minnesotans were primarily employees in 1945. Very few owned their own businesses, and those who did operated barber shops and cleaners, said the report. In addition, a few vocations – namely domestic servants, porters, and janitors – were reserved for African-American workers. And surveys showed a reluctance by employers to either promote them to positions of higher responsibility or hire them for more technical positions.

A few employers cited success in hiring African Americans, and they emphasized, in the report, that there is no reason to expect different performance from white or black workers.

The report concluded that the misconceptions of employers and employees were among the primary obstacles to employment for African Americans. A number of myths about

black Minnesotans were reflected in the report, and the commission advocated educating the public. The state, said the commission, has the responsibility to promote justice and provide equal opportunity.

Four years later, the commission reported again, and while it noted some improvement in employment processes, it also advocated for a state law protecting individuals from discrimination in attempting to acquire a job.

Concluded the 1949 report: "Too often, in attempting an objective analysis of a problem such as this, we ignore the human element. It should help one's thinking to remember that we are talking about human beings who have the same ambitions, the same desires for their families, and the same ideals of America that we all hold so dear."

In 1955, several years after Gov. Luther Youngdahl proposed it, the Legislature enacted the Fair Employment Practices Act, which prohibited employment discrimination on the basis of race, color, creed, religion, or national origin. It specifically addressed the conduct of labor unions, employers, employment agencies, and others who aid them – all of these were cited by the Governor's Interracial Commission as obstacles to treating African-Americans uniformly and fairly in regard to employment.

That law, which established a grievance process and judicial remedy, has been amended over the years to prohibit discrimination in housing (1962), with regard to disability and public assistance status (1973), age and sex (1977), marital status (1988), and sexual orientation (1993). It was renamed the Human Rights Act in 1967, when several governor's commissions, including the initial inter-racial commission, were combined into the new Human Rights Department. That department continues to provide remedy under the Human Rights Act.

(M. KIBIGER)



**Sylvester Young takes a little off the top, in a barber shop owned by Walter Battle at Sixth and Lyndale, Minneapolis.**

Photographer: Robert Patterson

Photo courtesy of the Minnesota Historical Society

## ★ AGRICULTURE

**Bolstering bio-security**

The rural landscape could be dotted with signs at farm entrances stating, "Bio-security measures are in force. No entrance beyond this point without authorization," under a bill that aims to beef up security at animal facilities and give livestock owners some peace of mind.

The bill, sponsored by Rep. Elaine Harder (R-Jackson), would specify that anyone who intentionally exposes domestic animals and farm-raised fish and birds to animal diseases would be guilty of a gross misdemeanor.

It raises the level of consequences for trespassing on livestock farms, Harder said. "We're trying to get at those who would have disregarded for animal health."

The House Agriculture Policy Committee approved the measure (HF1732) Feb. 25. It now moves to the House Civil Law Committee.

Pork producers and feedlot officers said they support the bill as an added measure of protection for the industry.

The bill is aimed at people who would want to jeopardize the food supply or inflict damage on the industry in general, said Tina Rosenstein, Nicollet County environmental services director.

People who disagree with certain animal husbandry practices could also pose a threat, proponents said.

Rick Grommersch, a pork producer from Nicollet County, told lawmakers about three intruders he caught trespassing on his property. They were dressed in black, armed with global positioning satellite devices and cameras, and intent on photographing dead

animals awaiting the rendering truck, he said.

The deputy sheriff was unclear on trespassing laws and the suspects were let go after their film was destroyed and satellite coordinates were erased.

The devices contained coordinates for other farms in the area, Grommersch said. "This was not an isolated incident."

Rep. Rebecca Otto (DFL-Marine on St. Croix) questioned whether the signage would change the tone of the community and perhaps perpetuate fear.

"It's a sign of the times," Harder said.

There is no Senate companion at this time.

## ★ BUSINESS

**In a pickle over pickles**

First it was hotdish sharing at potluck dinners, and now a state lawmaker has set his sights on minimizing state regulation over home-canned pickle sales at farmers markets and social events.

Rep. Al Juhnke (DFL-Willmar) is sponsoring a bill (HF1864) that would exempt sellers of certain home-grown and home-canned pickles, fruits, and vegetables from state licensure requirements, provided the sellers receive less than \$5,000 per year in sales from the products and meet certain labeling and signage requirements.

The House Agriculture Policy Committee approved the measure Feb. 25. It now moves to the House Health and Human Services Policy Committee.

Juhnke said the idea for the bill came from vendors at a Willmar farmers market who were asked by Department of Agriculture food inspectors to discontinue selling their pickles over fears of botulism that could develop in improperly canned goods.

"We are in no way making light of the seriousness of food-borne disease," Juhnke said. But, he said, there were only 25 reported cases and two deaths from botulism in the United States last year.

"What we're trying to get at is education," Juhnke said. "We're not changing anything; we're just allowing what's already going on."

Food products that are safely entered into commerce require training, equipment, and record-keeping skills beyond the average home canner, said John Exner, Midwest Food Processors Association legal counsel. The lifetime health complications from illnesses such as botulism are far worse than a bit of food poisoning, he said.

"The public doesn't understand the risk," said Bette Packer, Minnesota Environmental Health Association president.

The bill would urge canners to complete state-approved training and consult with food canning experts on recipes and equipment.

There is no Senate companion.

## ★ CHILDREN

**Liability protection**

Public transit bus companies would not be liable when school children and other passengers are injured before or after using the bus, under a bill approved by the House Transportation Policy Committee Feb. 25.

HF2016, sponsored by Rep. Mary Liz Holberg (R-Lakeville), states that public transit bus drivers' duty of care would extend to a passenger, including elementary and secondary students, only when the person is boarding, debarking, or riding the bus. Individuals near the bus would be considered pedestrians and the driver would only be charged with the same duty of care afforded pedestrians.

The bill would not apply to special transportation services operated in the seven-county metropolitan area by the Metropolitan Council. This includes Metro Mobility, a bus service for people with disabilities.

The bill stems from lawsuits against Minnesota Public Transit Association members in which transit providers were held responsible for accidents but were not negligent, said lobbyist Sherry Munyon.

The Duluth Transit Authority has historically seen pupils using its buses to travel to school, said Jim Heilig, the authority's director of administration. In the past 20 years it has been subject to two lawsuits following fatal accidents. In neither case did the bus strike the pupil, he said.

Holberg said the aim of the bill is greater flexibility in providing transportation for school children. The bill received House approval in 2003, she added, but was eliminated during conference committee negotiations.

Munyon said that the bill is opposed by neither the Minnesota Department of Transportation nor the Metropolitan Council.

The bill, which has no Senate companion, now moves to the House Education Policy Committee.

## ★ CONSUMERS

**Wireless woes**

Wireless telecommunications service providers and some customers are at odds over the contract verification and modification



Dr. William Hartmann, executive director of the Minnesota Board of Animal Health, testifies for a bill that would increase penalties for trespassing on agricultural lands during a Feb. 25 meeting of the House Agriculture Policy Committee. At right is a sign that could be posted around agricultural lands.

process involved in acquiring cellular telephone service.

The House Regulated Industries Committee reviewed the issue Feb. 24 and Feb. 25 and sent to the House floor a bill (HF1692) that would require service providers to submit a paper copy of oral or written service agreements to customers within 15 days of the arrangement.

Under the bill, sponsored by Rep. Ray Vandever (R-Forest Lake), wireless providers would also be required to notify consumers under contract 60 days in advance of any substantive changes to the contract that would increase charges. Customers would be given the option to terminate the contract within the notice period without penalty.

The notification and response to opt out of or cancel a contract must be in writing, under the proposal. Failure by the consumer to respond implies consent to the changes.

The purpose of the bill is to "simply ensure that consumers are aware of the fact that they are entering into a long-term contract," Vandever said. "Asking for an affirmation seems very reasonable if a company is going to assert on your credit report that you have a contract."

Industry representatives dispute that there are wireless carriers in the state who would not provide evidence of a contract upon request.

Increased competition in the marketplace has resulted in an 80 percent nationwide reduction in cost for wireless consumers, said Scott Bergs, vice president of legal and regulatory affairs for Midwest Wireless Communications. The proposal would limit network improvements and deployments and that 80 percent cost reduction would disappear, Bergs said.

And, ultimately, Bergs questioned the need for the bill given current remedies available to consumers and the voluntary code of conduct for wireless service that most carriers comply with.

"We don't think the legislation is necessary because we are behaving consistently with the behavior the legislation would propose," said Vic Dobrias, Sprint Corporation director of regulatory and governmental affairs.

The Senate companion bill (SF1862), sponsored by Sen. Michelle Bachmann (R-Stillwater), awaits committee action.

### Home inspector registration

Amendments to a bill related to home construction defects failed to pass after extensive debate in the House Commerce, Jobs, and Economic Development Policy Committee Feb. 24.

Members haggled more than seven hours over HF1801 before recommending that it pass and sending it to the House Civil Law Committee.

The bill, sponsored by Rep. Karen Klinzing (R-Woodbury), would provide some recourse for people whose homes have sustained damage as a result of faulty building techniques.

"I'm not confident it will solve all the problems," Klinzing said. "Every stakeholder likes some aspects and doesn't like others. It's a compromise."

Of three amendments offered by Rep. Barbara Goodwin (DFL-Columbia Heights), the one that would allow registration of home inspectors received the most attention. Goodwin said currently anyone may call themselves a home inspector.

The amendment would make registration voluntary, requiring that applicants meet educational and experiential standards established by the commerce commissioner.

"I do not believe registration, since it's voluntary, does anything to protect homeowners," said Roger Hankey, representing the Heartland Chapter of the American Society of Home Inspectors.

The association supports licensure, not registration, he said. Registration would "only regulate those who choose to be regulated," he added.

"I advise you to accept this registration," Rep. Karen Clark (DFL-Mpls) told Hankey. "It helps the consumer, and it doesn't harm you. It's a first step, a helpful way to get started."

Goodwin said she would also prefer licensure, but there is not time in this session to provide for that. "If we have nothing, we're leaving homeowners with no protection," she said.

"This half a loaf may not even be half a loaf," Hankey said, adding that information on home inspectors is already available on the association Web site.

Rep. Gregory Davids (R-Preston), the committee chair, suggested making licensure of home inspectors a separate bill. "We need to think this through and not tie it to this bill," he said, adding the issue needed more testimony and debate.

## ★ CRIME

### Paying the ultimate penalty

Opponents of and advocates for the return of capital punishment in Minnesota packed a meeting room Feb. 26, but the House Judiciary Policy and Finance Committee made no decisions.

The committee deferred action on HF1602, sponsored by Rep. Tom Hackbarth (R-Cedar), after the 90-minute hearing due to time limitations. No specific future hearing date was set, though members are awaiting a note regarding the fiscal impact of the bill.

The bill would place a capital punishment question on the November 2004 ballot. Voters



Sue Ann Blees, president of the Fight for Justice Organization, testifies before the House Judiciary Policy and Finance Committee Feb. 26 in support of a bill that would authorize the death penalty for first-degree murder under aggravating circumstances.

would decide whether a state constitutional amendment should authorize the use of the death penalty for those convicted of first-degree murder under aggravating circumstances.

If approved, lethal injection could be utilized for homicides committed after Jan. 1, 2007, said Robert Kittle, assistant deputy revisor with the legislative Office of the Revisor of Statutes. Gov. Tim Pawlenty has been vocal in his support for the death penalty.

Sue Ann Blees, president of the Fight for Justice Organization, spoke in support of the measure, citing the April 2003 murder of three members of a Long Prairie family.



James Lym of Arden Hills, left, and Joe Callahan of Minneapolis, right, testify before the House Judiciary Policy and Finance Committee Feb. 26 against a bill that would authorize the death penalty for first-degree murder under aggravating circumstances. Both are family members of murder victims.



"This is about standing up for the concept that murderers should potentially face forfeiture of their own lives as punishment," Blees said.

With an opposing view was James Lym of Arden Hills, whose son was murdered during a restaurant robbery. "To legislate murder ... you have just created more murderers, and this time it is the State of Minnesota."

Said the Rev. Bernard Harrington of Winona, "Let us be mindful that Jesus was a victim of the death penalty."

Hackbarth said he originally opposed capital punishment, but changed his mind in 1992 while campaigning for office. His constituents, who he said support capital punishment, remember the murder of a Champlin mother and her child.

Rep. Debra Hillstrom (DFL-Brooklyn Center) asked Kittle if capital punishment could be reinstated through the traditional law-making process. Kittle said while that is possible, lawsuits would likely force the Minnesota Supreme Court to weigh whether capital punishment constitutes cruel and unusual punishment.

The execution of juveniles, persons with mental retardation, or those who can't be linked to the crime through DNA would be prohibited.

The bill's Senate companion (SF1860), sponsored by Sen. Mady Reiter (R-Shoreview), awaits committee action.

### Drunken driving limit

Minnesota is closer to adopting a lower blood-alcohol concentration limit for drunken driving following approval of a bill Feb. 24 by the House Judiciary Policy and Finance Committee.

The bill (HF97/SF58\*), sponsored by Rep. Steve Strachan (R-Farmington), would reduce from 0.10 percent to 0.08 percent the legal limit for alcohol consumption while driving.

Passage of a lower blood-alcohol limit is required for the state to continue receiving millions in federal highway construction funds. Minnesota is one of only three states that has not enacted the lower limit, according to Kathy Swanson, director of the Office of Traffic Safety in the state Department of Public Safety.

"The fact is we need the money now," said League of Minnesota Cities representative Anne Finn, regarding state aid for local roads.

About 250 people are killed and more than 4,000 injured each year in Minnesota due to drunken driving, said Mike Asleson, a major with the Minnesota State Patrol.

"The point is, 0.08 is too drunk to drive," said Strachan, a career police officer who said he has arrested hundreds of drunken drivers.

Information provided by nonpartisan House research staff stated that about 14 lives



Kathy Swanson, left, director of the Office of Traffic Safety with the state Department of Public Safety, and Mike Asleson, right, a major with the Minnesota State Patrol, testify Feb. 24 before the House Judiciary Policy Committee in support of a bill that would reduce the legal blood-alcohol limit for drunken driving from 0.10 percent to 0.08 percent.

would be saved in Minnesota with implementation of the lower standard.

But Kenn Rockler, a lobbyist for the Wine, Beer and Spirits Federation of Minnesota, questioned how a lower blood-alcohol limit would keep serious offenders off the roads. Even in states that have lowered their legal limit, the majority of fatalities involve blood-alcohol limits of 0.15 and higher, he said.

"We adamantly maintain that this does not save lives," Rockler added.

The committee chair, Rep. Steve Smith (R-Mound), successfully offered an amendment that would allow driver's records of those convicted of driving while impaired to be purged after 10 years. Conditions are that the offense was the first of its kind and involved an alcohol concentration of less than 0.10, and that the driver has no other impaired driving offenses during that 10-year period.

The committee also approved an amendment that would partly reimburse local governments for the expense of prosecuting those arrested with alcohol concentrations between 0.08 percent and 0.10 percent.

The bill now moves to the House Transportation Finance Committee.

Sen. Leo Foley (DFL-Coon Rapids) sponsors the bill in the Senate where the bill passed Feb. 12 on a 48-18 vote, without the amendments.

## ★ DEVELOPMENT

### Buying back a facility

The state would purchase a former juvenile correctional facility it once owned under a bill heard Feb. 25 by the House Judiciary Policy and Finance Committee.

HF2310, sponsored by Rep. Bud Heidgerken (R-Freeport), would appropriate \$4 million in bonding proceeds to purchase the former correctional facility in Sauk Centre and use it as a minimum-security prison.

The Department of Corrections housed juvenile offenders at the 23-building, 245-acre campus until 1999. The state then declared the property surplus, because, according to Rep. Bill Hilty (DFL-Finlayson), it was too expensive to maintain.

Legislation in 2000 gave the facility to Sauk Centre for \$1 with the stipulation that the property maintain a public purpose. After several studies, the city found the venture was cost ineffective, said Kath Ouska, Department of Administration assistant commissioner.

As such, the state sold the property to a private party for \$1.6 million in 2001. That party in turn sold it in 2002 to another private party, Jim Jauss.

Jauss told the committee he has maintained the property at a pristine level, including the hayfields, barns, and natural habitat. He is offering to sell it to the state because he could not secure funding to revamp the property into a residential care facility. Furthermore, he said, the state is in need of correctional facilities.

Sauk Centre Mayor Paul Theisen said the city lost about 100 jobs when the juvenile correctional facility closed. "My interest is to get these jobs replaced," he said.

In a letter to Sauk Centre residents distributed to the committee, Jauss wrote that his options include selling the property to the state for use as a facility for adult non-violent offenders, or a privately operated facility.

The historic property, with most buildings dating back to 1911 and 1924, was originally known as the Sauk Centre Home School for Girls. The property was placed on the National Register of Historic Places in May 1989. Its assessed value in January 1998 was \$6.3 million.

The bill will be considered for possible inclusion in a bonding bill. It lacks a Senate companion.

## ★ EDUCATION

### No school, no license

Driving would come to a halt for some excessively absent public school students if a bill approved Feb. 24 by the House Education Policy Committee becomes law.



Jenna Mohs of Detroit Lakes, from left, Erin Gavin of Mendota Heights, and John Heggestuen of Minneapolis, follow along as the House Education Policy Committee hears a bill Feb. 24 that would require students under age 18 to attend school in order to possess a driver's permit or license. The three high school juniors are participants in the House High School Page program.

Sponsored by Rep. Jeff Johnson (R-Plymouth), HF1986 would make school attendance for persons aged 15-17 a determining condition of receiving, keeping, or renewing a state driver's license.

The bill, which moves to the House Civil Law Committee, would only apply to public school students and would allow school districts and charter schools to voluntarily opt out of enforcing the requirement. It is among a series of education bills backed by Gov. Tim Pawlenty.

"There will be a lot of students this doesn't work for," Johnson said. "It will not solve the absenteeism problem." He described the bill as a "tool" for schools to focus on attendance, "rather than a negative mandate."

The bill would require a person under age 18 to present a school attendance certificate to the state Department of Public Safety as a condition for the department to issue a driver's license.

It would require participating school districts to disclose to the state Education Department private data on a student's school attendance, unexcused absences, and expulsions. An attendance certificate would then be issued to a student to use in applying for or renewing a driver's license.

Schools would notify the Public Safety Department when a student under 18 is found to be excessively absent or was expelled. The person's driver's permit or license would be cancelled for either 120 days, until the end of the school semester, or until the person reaches age 18, whatever occurs first.

Representatives of school organizations indicated mixed support for the bill. It was favored by the Minnesota Association of School

Administrators and the Association of Metropolitan School Districts, but opposed by the Minnesota Association of Secondary School Principals.

"We will not recommend that districts adopt this," said Roger Aronson, attorney and lobbyist for the association.

Bob Meeks, executive director of the Minnesota School Boards Association, said his group is neutral concerning the bill. "If this is good public policy, let's do it for all kids," Meeks said, referring to the bill's exclusion of non-public school students.

SF2036, a companion bill, sponsored by Sen. Geoff Michel (R-Edina), awaits committee action.

### New licensing for teachers

For the second time, a bill that would create a separate licensing path for mid-career professionals interested in public school teaching was considered by the House Education Policy Committee, but the committee deferred action Feb. 19 to consider additional revision.

Sponsored by Rep. Sondra Erickson (R-Princeton), HF1814 would create an alternative state teacher-licensing program and could change K-12 teacher preparation required by colleges and universities.

"This is for retired people looking for second careers," Erickson said, "or those (professionals) who dropped teaching because they didn't want to endure the route they were forced to by our colleges."

The bill, one of Gov. Tim Pawlenty's education initiatives for 2004, had its initial hearing Feb. 12.

Mary Ann Nelson, assistant education

commissioner, said changes the bill proposes are needed because of teacher shortages in special education, science, and math, among other subjects. She called the shortages "impending crises," particularly in rural school districts.

An existing alternative licensure program, administered by the state Board of Teaching, has not attracted many candidates, Nelson said. "We need more programs than the current (licensing) rule used by the board."

Under the bill, teacher training programs for qualified professionals would require the state education commissioner's approval, based on criteria developed by a commissioner-appointed advisory group. All licensing requirements are now administered by the Teaching Board.

George Maurer, the board's executive director, said the alternative licensing path "concept meets current law. The commissioner would just have to propose a program to the board."

However, Maurer said he has "reservations" about the bill. "Flexibility without high standards could reduce the quality of our education system."

Teaching program representatives from the University of Minnesota and the Minnesota State Colleges and Universities system testified that the bill would lead to major policy changes in teacher licensing and urged legislators to proceed cautiously.

Supporters said alternative licensing could lead to more men and greater multicultural diversity in the teaching profession. Candidates for the program would be required to have a bachelor's degree and complete in-classroom teacher training.

However, Rep. Bud Heidgerken (R-Freeport), a former teacher, explained that he left the profession to run his own business because he wasn't making enough money, which he said was a more likely deterrent to individuals who might enter the profession.

"The number one reason for men not in the field is because we're not paying teachers enough," said Heidgerken. "This is a short cut around a system that's working."

A companion bill (SF2109), sponsored by Sen. David Hann (R-Eden Prairie), awaits committee action.

### Educating preschoolers

Charter schools could open their doors to preschool age students under a bill heard Feb. 24 by the House Education Finance Committee.

Sponsored by Rep. Alice Seagren (R-Bloomington), the committee chair, HF2417 would allow one charter school or a group to establish school readiness programs for eligible children under age 5. The committee will consider including the bill in a K-12 education omnibus bill.



School readiness programs provide eligible children with focused attention in early literacy and other child development activities so they can enter school with stronger learning and behavioral skills.

The bill would amend a state law that allows school districts to establish pre-school readiness classes, part of the state's early childhood and family education programs.

"The law doesn't allow charters to be in pre-school programs," said Robert Wedl, a former state education commissioner representing Education/Evolving, a charter school advocacy group affiliated with Hamline University, who testified in support of the bill.

Many children entering kindergarten don't have the skills they need to progress, he added, particularly English language learning students and children from high poverty environments. He said that non-profit organizations or other charter sponsors might be interested in putting a literacy center for pre-schoolers in a charter school.

The bill, complementary to other proposed legislation that would allow more organizations to sponsor single-purpose charter schools, would also allow state-provided compensatory revenue to be used for "developmentally appropriate early literacy programs" for pre-kindergarten students.

It has no Senate companion.

### Funding payback

The House Education Finance Committee approved a bill Feb. 24 that would allow the state to return to a 90 percent proportion when paying aid entitlements to school districts in future years, provided there is a state budget surplus.

Sponsored by Rep. Jim Knoblach (R-St. Cloud), HF1970 would amend state law by adding two priority uses of state general fund surpluses to, in effect, pay off debt incurred from delaying portions of school aid payments, as well as an accounting shift involving school property taxes.

The bill now moves to the House Taxes Committee.

State law requires that anticipated general fund balances be first applied to the state's cash flow and budget reserve accounts, up to \$350 million and \$653 million respectively.

During fiscal year 2004, the state first paid school districts 80 percent of their aid and held on to the other 20 percent for summer and fall cleanup payments. That payment schedule was changed from an 83 percent-17 percent proportion in fiscal year 2003.

"The state can save money on a one-time basis," according to a nonpartisan House Research Department summary, by delaying payment of state aid to school districts.

## PATRIOTIC SINGERS



PHOTO BY TOM OLMSCHIED

Fourth graders from Snail Lake Elementary School in Shoreview wave the flag at the end of their Feb. 24 performance of patriotic songs in the Capitol Rotunda.

The estimated cost of reversing the shift implemented this fiscal year will be \$270 million.

A property tax recognition shift, also required of school districts, provides the state with another way to delay state school aid payments and balance its books between state fiscal years, according to the bill summary.

This accounting shift causes many school districts to resort to short-term borrowing to meet cash flow needs. It was also implemented during the current fiscal year and was expected to save the state \$230 million, according to the research department.

The accounting shifts began in the 1980s, also a time of budget deficits.

It took the state "20 years to pay off shifts from the early '80s," Knoblach said. "This bill provides a mechanism so we don't repeat that sorry history."

A Senate companion bill (SF1959), sponsored by Sen. Debbie Johnson, awaits committee action.

## ELECTIONS



### Uniform voting

Minnesota would initiate a uniform statewide voting system for elections, under a bill approved Feb. 25 by the House State Government Finance Committee.

Sponsored by Rep. Eric Lipman (R-Lake Elmo), HF1703 would appropriate federal funds to the Minnesota secretary of state to fund the purchase or development of such a

system, which would be directly implemented at the county and municipal level.

The funds to make the election changes come from the federal Help America Vote Act of 2002, enacted to eliminate punch card voting systems.

The new machines would allow individuals to verify their votes, change or correct votes before ballots are counted, produce a permanent paper record of a ballot, and preserve the records in case of a recount. Many municipalities already use the new technology.

Other measures in the bill include providing the same accessibility to individuals with disabilities in the election process as individuals without. Currently those visually impaired must vocally cast their vote to an election judge who then aids them in filling out the ballot. New machines would give voters independence and privacy using alternative voting technology.

Kevin Corbid, director of Washington County Taxpayer Services, said the bill is unfair to counties like Anoka, Dakota, and Washington that recently purchased new voting machines with their own tax dollars and would have to upgrade them somewhat to meet the new requirements. The concern, according to Corbid, is that other municipalities could receive funds to upgrade to the new machines, but local governments that have already purchased them would have to fund the mandated upgrades on their own.

Lipman amended the bill to include two related bills that died in the conference committee process last session.

HF1006, sponsored by Rep. Lynda

Boudreau (R-Faribault), requires people who have not pre-registered to vote and fail to present picture identification on Election Day be deemed ineligible to cast a ballot. It also establishes guidelines to implement the federal Help America Vote Act.

HF1119, also sponsored by Lipman, addresses such topics as electronic voting machines, news media at polling places, filing an election complaint, and requiring photo identification if a person is not pre-registered to vote. The bill now goes to the House Ways and Means Committee.

A companion bill (SF1666), sponsored by Sen. Dan Sparks (DFL-Austin), has been referred to the Senate Elections Committee.

### Uniform election dates

A bill approved Feb. 24 by the House Governmental Operations and Veterans Affairs Policy Committee would, in part, limit the number of days Minnesotans could go to the polls.

Rep. Mark Buesgens (R-Jordan), the sponsor of HF1868, said the bill would increase voter participation through uniformity in holding all state, county, municipal, and school district elections on four dates a year, requiring municipalities to hold all elections at the same polling places used for general elections, and that hours for all elections be the same as those of general elections. Exceptions may be made for special elections.

The four election dates designated in the bill are:

- the second Tuesday in March,
- the second Tuesday in June,
- the first Tuesday after the second Monday in September,
- and the first Tuesday after the first Monday in November.

Minnesota Deputy Secretary of State Tony Kielkucki said the uniformity would encourage the 2.5 million registered voters in Minnesota to develop a habit of voting and provide conformity to elections across the state.

Kielkucki said he was informed of a situation in which a voter went to the local polling place before work, only to find it was closed until 5 p.m. The voter said he was unable to cast his ballot because of the opening time and claimed disenfranchisement.

Current law distinguishes certain time requirements, and townships outside the Twin Cities metropolitan area with a population of less than 500 can, in certain instances, be open as little as 5 p.m. to 8 p.m.

Ann Higgins, representing the League of Minnesota Cities, said there are major concerns with the proposed changes, including the additional costs of staffing a polling place for

longer hours and possibly having to staff additional polling locations.

Buesgens said the bill may need some changes to address those concerns and he would work with the appropriate associations to do so.

The bill next goes to the House Education Policy Committee.

A Senate companion (SF1872), sponsored by Sen. Chuck Wiger (DFL-North St. Paul), awaits action in the Senate Elections Committee.

### Electoral college change

A bill to change the way electoral college members are chosen and how they cast their votes was narrowly rejected by the House Governmental Operations and Veterans Affairs Policy Committee Feb. 24.

Sponsored by Rep. Marty Seifert (R-Marshall), HF1926 would require each major political party to nominate one presidential elector per congressional district and two from the state at-large.

District electors would be required to cast their votes for the candidate that received the most votes in their district. At-large electors would cast their vote for the candidate that received the most statewide votes. Currently, the leading vote-getter receives all of the state's electoral votes.

Seifert said rural districts tend to lose out when it comes to the "will of the people" being reflected during national elections. Votes in his district get drowned out, he said, by those of the Iron Range and the Twin Cities metropolitan area.

Additionally, when national candidates make state appearances, rarely do they campaign in rural districts, said Seifert. HF1926 would encourage candidates to focus on individual areas of the state rather than the state as a whole.

Although she agrees with the premise of the change, Rep. Phyllis Kahn (DFL-Mpls) said that on a national level Minnesota could become irrelevant by making the change on its own. She suggested that the measure have a clause delaying enactment until other states go forward with the same kind of electoral college change.

Several other states, such as Oklahoma and New Mexico, have legislation in the process Seifert said, adding that he "respectfully" disagreed with Kahn on whether Minnesota would become irrelevant by making the change.

By a raise of hands, the measure failed on a tie vote.

A companion bill (SF1832), sponsored by Sen. Dave Kleis (R-St. Cloud), awaits action in the Senate Elections Committee.

## ★ ENVIRONMENT

### Pollution solution

A typical residential septic system consists of an underground septic tank connected to some sort of soil treatment mound or trench designed to further dilute and filter sewage.

But sometimes homeowners, particularly those with lakeshore property, don't have the soil conditions or acreage to properly support this type of system.

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

The House Environment and Natural Resources Policy approved the bill Feb. 19. It now moves to the House Environment and Natural Resources Finance Committee.

Engineers designed current wastewater treatment systems based on the concept that "the best solution to pollution is dilution," said Don Brauer, a consulting engineer from Edina.

We can't dilute some wastewater enough, Olson said, so it's time to move to a separation strategy.

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. Owners would be prohibited from monitoring their own systems.

The Pollution Control Agency and Department of Health are comfortable with the bill, said Gretchen Sabel, an agency individual sewage treatment system policy analyst. "This technology is way beyond minimum standards."

A companion bill (SF2090), sponsored by Sen. Dallas Sams (DFL-Staples), awaits committee action.

### Environmental project priorities

Development pressures and escalating land prices have some lawmakers and conservation groups hoping to re-prioritize the governor's 2004 bonding recommendations for environmental projects.



Rep. Joe Hoppe (R-Chaska) is sponsoring a bill that would earmark nearly \$10.5 million of bonding proceeds for natural resources programs across the state.

The proposal (HF2366) includes:

- \$4 million for metropolitan greenways,
- \$3 million for native prairie bank easements,
- \$3 million for scientific and natural area acquisitions, and
- \$500,000 for stream restoration.

The governor is recommending a total of \$2.8 million for capital investment in these projects.

The House Environment and Natural Resources Finance Committee reviewed the bill Feb. 25 and will consider it for inclusion in the committee's bonding recommendations.

"If you don't spend the money now, some of these areas may not be able to be saved," Hoppe said. "It's for the kids, really."

Ecological integrity is a priority for metropolitan greenways, said Barbara Toren, Metro Greenways Citizens Advisory Committee chairwoman. "Wildlife does not see boundaries."

The metro greenways program is a public/private effort to acquire, restore, and connect a system of regionally significant open spaces around the seven-county Twin Cities metropolitan area.

Bob Engstrom, a Minneapolis builder and developer, described the greenways as an effective tool to relieve development pressure while improving property values.

"It is possible to create value when you connect natural areas," he said.

Lawmakers heard a stream restoration success story from Mike Greenheck, a Wabasha County landowner who used the Department of Natural Resources (DNR) stream habitat protection program to stabilize wetlands, native prairie, and put a meander back on his section of Gorman Creek.

The key to success was finding technical assistance from people who knew what they were doing, Greenheck said. "We couldn't have done it without the help of the DNR."

The project ultimately improved the quality and character of the creek, Greenheck said. "We've done what most common sense people would do."

There is no Senate companion bill.

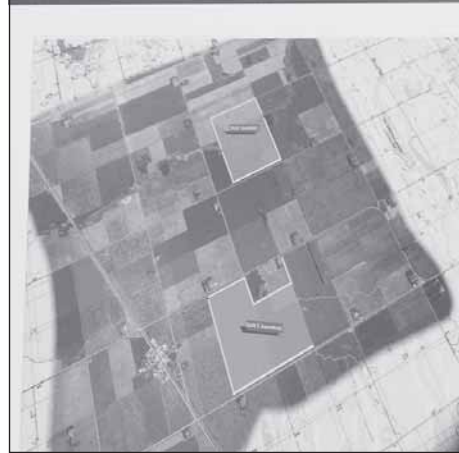
### Fixing flood plains

The largest portion of the governor's 2004 bonding recommendations for the Department of Natural Resources would direct \$20 million to the flood hazard mitigation grant program.

The program is designed to help local government units, such as cities, counties, watershed districts, and lake improvement districts, reduce or prevent flood damages by provid-



Grand Marais Creek Subwatershed  
Governor's Clean Water Cabinet Pilot Project



**Myron Jesme, Red Lake Watershed District administrator, testifies before the House Environment and Natural Resources Finance Committee Feb. 24 in support of a bill that would provide funding for a Roseau River Wildlife Management Area and Red Lake Watershed District flood hazard mitigation project.**

ing financial and technical assistance, most often at a 50 percent state-local match formula. Eligible activities include restoring flood plains, improving ditches, enhancing buffer strips, or acquiring structures in flood plains.

The House Environment and Natural Resources Finance Committee heard Feb. 24 from three lawmakers seeking bonding dollars for flood hazard mitigation projects that, according to the department, may not be fully funded this year within the governor's recommendations for the grant program.

The following bills were reviewed:

HF2182, sponsored by Rep. Maxine Penas (R-Badger), would direct \$3.4 million in grants to the Roseau River Wildlife Management Area, Palmville and Malung townships, and the Grand Marais Creek Flood Reduction Project in the Red Lake Watershed District.

Benefits of these efforts would include enhanced fish and wildlife habitat, reduced sediment loads and turbidity in waterways, and protected agricultural cropland, said Myron Jesme, district administrator.

HF1960, sponsored by Rep. Joe Atkins (DFL-Inver Grove Heights), would direct \$1.2 million to Inver Grove Heights to acquire

properties along the Mississippi River.

"We get that 100-year flood every seven to 10 years," Atkins said, stressing the need to move up along the rankings of eligible projects.

HF1933, sponsored by Rep. Jim Rhodes (R-St. Louis Park), would direct a little more than \$1.1 million to St. Louis Park for residential and business flood proofing along Minnehaha Creek.

All three bills will be considered for inclusion in the committee's bonding proposal.

The Senate companions — SF2159, sponsored by Sen. LeRoy Stumpf (DFL-Thief River Falls); SF1851, sponsored by Sen. James Metzen (DFL-South St. Paul); and SF1849, sponsored by Sen. Steve Kelley (DFL-Hopkins) — await action in the Senate Finance Committee.

## ★ GAMBLING

### Lottery findings

More accountability and oversight of the Minnesota State Lottery by the Legislature is needed, according to a legislative auditor's evaluation presented to the House Governmental Operations and Veterans Affairs Policy Committee Feb. 23.

Legislative Auditor James Nobles said the report found significant concerns with a number of areas, including: the lottery's promotional spending, amount of leased space, and staffing levels.

According to Nobles, the lottery spent close to two-thirds more of its sales revenue in 2002 on operating expenses than other comparable lotteries, which resulted in less money going to the environmental and other programs. Also, the lottery has more autonomy and is less accountable to elected officials than other state agencies and other lotteries, according to the report. Nobles also indicated concern that the lottery never competitively bid any work done by the public relations firm Media Rare and overpaid the firm in a number of instances.

The report offered several key recommendations for the Legislature to consider:

- review the lottery's operation and capital budgets every two years,
- require the lottery director to serve at the governor's pleasure,
- broaden or eliminate the experience requirements for a lottery director,
- consider alternatives for improving oversight,
- review lottery procurement laws, and
- transfer unclaimed prize money to the state's general fund.

Although the lottery is not a typical state agency, Nobles said it should be treated as an entrepreneurial one, while not pushing away recommendations by the Legislature and





Legislative Auditor James Nobles presents the findings from an audit of the Minnesota State Lottery to a joint hearing of the House Governmental Operations and Veterans Affairs Policy and the State Government Finance committees Feb. 23.

governor. He said former lottery director, George Andersen, who died in January, was not responsive to suggested changes.

Concerns have been raised on how much lottery oversight is needed and when oversight leads to micromanaging, thus hurting the entity. He said the suggestions to the Legislature are to "find the right balance."

Rep. Bill Haas (R-Champlin) said the Legislature owes it to the people of Minnesota to efficiently run the lottery since they voted it into law.

The committee took no action.

## GREATER MINNESOTA

### Increasing rural speed limits

Speed limits on some Minnesota highways may increase under a bill approved Feb. 20 by the House Ways and Means Committee.

Sponsored by Rep. Marty Seifert (R-Marshall), the measure (HF1071) directs the Department of Transportation to conduct engineering and traffic investigations on portions of the state trunk highway system that are part of the U.S. Highway system and have speed limits of 55 mph to determine if it would be "reasonable and safe" to raise the speed limit. The department may raise the limit to 60 mph if it determines it to be safe to do so. Additionally, the department is to report its findings to the chairs of the legislative transportation policy and finance committees by Feb. 1, 2005.

Seifert previously indicated the bill is a better reflection of what is now occurring on Greater Minnesota highways.

The bill, which now moves to the House floor, also amends portions of state statute relating to speeding tickets. Currently, violations are kept off an offenders' record if the speed was within 10 mph of a 55 mph limit. The bill provides for a 5 mph cushion at the 60 mph mark on trunk highways.

The approximate cost for the change is \$792,710, which would include speed limit signage, advisory curve signs, field review for curve signs, signal retiming, loop detector repositioning, and speed study reports. The costs would be shared among the department's eight district offices and the central office over three fiscal years beginning in 2005.

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

## HEALTH

### Assisting consumers

A health care cost containment bill designed to reduce costs and improve patient care received approval from a second House committee Feb. 24.

In giving its endorsement, the House Commerce, Jobs, and Economic Development Policy Committee approved an amendment by Rep. Fran Bradley (R-Rochester), the sponsor of HF1681, which would require pharmacies to provide consumers with a price breakdown of prescription drugs at the time of purchase. It would also grant the commissioners of health and commerce the discretion to accept independent audits of health plan companies, providing they meet state standards.

The bill now goes to the House Governmental Operations and Veterans Affairs Policy Committee. The House Health and Human Services Policy Committee previously approved the bill.

A portion of HF1681 would place a moratorium on government mandates until 2007. Mike Hickey, Minnesota director for the National Federation of Independent Business, said the moratorium would offer relief for small businesses who bear the brunt of those mandates. Other representatives of business agreed.

Representatives for the insurance industry spoke in favor of the bill. Kathryn Kmit, speaking for the Minnesota Council of Health Plans, said the group is pleased with the effort to get consumers "more engaged" in health care, but they do not support the measure allowing for-profit health insurance companies to operate in the state.

"I think this is an insurance bill, not a consumer bill," said Tom Rukavina (DFL-Virginia).

Bradley disagreed, saying the bill was really a "tool to help consumers."

Rep. Barbara Goodwin (DFL-Columbia Heights) asked whether it would have been better to wait until after a report from the Minnesota Citizens Forum on Health Care Costs was released before drawing up the bill.

"We're very consistent with the panel findings," Bradley said, adding he had been in close contact with former Sen. David Durenberger, chair of the governor's task force. "Something has to come out of this session," he said.

Rep. Karen Clark (DFL-Mpls) offered an amendment that would mandate ovarian cancer screening for at-risk women. Testimony was heard, but the amendment was held back for further consideration, possibly as a separate bill.

*Editor's Note: a story regarding this bill in the Feb. 20 issue of Session Weekly indicated that the bill would excuse private non-profit hospitals from liability for non-economic damages. In reality the bill would remove liability for punitive damages, which are considered along with other items to be non-economic damages, from those hospitals.*

### Nursing homes face regulatory crisis

It was standing room only for the House Health and Human Services Policy Committee meeting Feb. 25 as representatives from nursing homes expressed their dismay over the state's regulatory survey process.

"We are experiencing a crisis in confidence in the oversight regulatory process," said Rick Carter, president of Care Providers of Minnesota. "The survey process is out of control. It is demoralizing for all concerned."

He accused department regulatory staff of "micromanaging" and using "confrontational" tactics, forcing caregivers to choose between focusing on unjustified regulatory remedies or on patient care.

"The current process sets us up to fail," said Cindy Green, director of nursing at St. Michael's Health and Rehabilitation Center in Virginia. She said the surveys are "very stressful and intimidating times" for both staff and residents.

Nursing home surveys are conducted by the Minnesota Department of Health, based on standards established by the Centers for Medicare and Medicaid Services. Regulatory teams conduct periodic three-day surveys and issue their findings to the department.

The intent of the surveys is to assure that nursing homes are providing quality care to their residents. However, in the last two years, citations for deficiencies have increased

dramatically, even though nursing home administrators and the health commissioner agree there has been no evidence of a decrease in the quality of care.

Gayle Kvenvold, president of the Minnesota Health and Housing Alliance, said increases in citations over the past year ranged from 20 percent to 187 percent. The vast majority of these were for minor lapses, she said, but when you look at a facility's record on the department Web site, it appears as if the facility is substandard.

"Community members who look at the reports are not getting a true picture," said Mary Cordts, executive director of Parmly Senior Housing and Services in Chisago City. "It might look like care is slipping drastically. It is not."

In addition, she said, an increase in citations, even when unwarranted, drives up the cost of liability insurance, taking money away from quality of care. "The survey trades common sense for perfection," she said.

"The Parmly Home in Chisago City can be held up as a model of how to run a facility," testified House Speaker Steve Sviggum (R-Kenyon). "We need to give the message that we in government are here to work with people, not to be a Gestapo or to provide a gotcha."

Health Commissioner Diane Mandernach agreed the quality of care has not decreased in the state's nursing home facilities. "We're all concerned, and we all have the same goal in mind," she said, "and that is — residents deserve a high quality of care in a comfortable facility."

"We have a system that's broken, we need to do something about it, and we need to do it now," Mandernach said. "I'm absolutely committed to restoring the trust."

The committee did not consider legislation at the hearing.

### Special mental health center

Hennepin County Medical Center is requesting \$1.4 million in bonding funds from the state, supplemented with \$1.4 million from Hennepin County, for a \$2.8 million renovation and expansion of the Acute Psychiatric Services center at the hospital.

Calling the psychiatric center "an indispensable safety valve," Rep. Duke Powell (R-Burnsville) presented a bill (HF2112) for the request to the House Health and Human Services Finance Committee Feb. 24.

The bill will be considered for inclusion in the committee's bonding recommendations. Gov. Tim Pawlenty did not recommend funding for the 2,700-square-foot project.

The facility is the only acute psychiatric

service in the state. It serves people in emotional crisis with 24-hour, seven-day-a-week crisis counseling, assessment, and referral. In 2002 the center served patients from 39 Minnesota counties.

"We take all comers," said Joanne Hall, the hospital's behavioral clinical business unit administrator.

The space is overcrowded, hospital doctors and administrators said, with an average waiting time of 8.5 hours. It can take as long as 48 hours for someone to get a bed. Creating a better environment for children with acute needs is especially critical, Hall said.

"It's a statewide problem and Hennepin County gets the brunt of it," said Rep. Thomas Huntley (DFL-Duluth).

The Joint Commission on Accreditation of Healthcare Organizations has identified the center as having "inadequate space," resulting in a compromised quality of care and decreased patient privacy.

"We end up housing people on the floor on mattresses — even on chairs," said Dr. Janet Andrews, medical director of the psychiatric center. There is no shower facility for people held 24 hours and no place for them to eat meals, she added.

"Our patients deserve better," Andrews said. "They need care and comfort, not exposure to lack of privacy."

Rep. Fran Bradley (R-Rochester), chair of the committee, acknowledged the importance of the center and the ongoing nature of the problem.

"I'm aware that not too many people are clamoring to get into this business," he said.

A companion measure (SF2053), sponsored by Sen. Linda Berglin (DFL-Mpls), awaits committee action.

## ★ LOCAL GOVERNMENT

### Private meetings

Minnesota's Open Meeting Law would be altered to allow public bodies to negotiate property sales and acquisitions in private, under a bill unanimously approved Feb. 24 by the House Civil Law Committee.

HF2093, sponsored by the committee chair, Rep. Mary Liz Holberg (R-Lakeville), would allow public bodies to close their meetings to do three additional things:

- determine the asking price for real or personal property to be sold, as well as the strategy relating to the sale;
- review confidential or nonpublic appraisal data; and
- develop or consider property offers or counteroffers, as well as related strategy.

Holberg said the issue arose with the Lakeville

School District. School boards are often negotiating the sale or purchase of property, she said, and property prices tend to rise when owners discover a local government's interest.

Public bodies may now only close their meetings to discuss labor negotiations or to evaluate the performance of an individual subject to their authority.

Under the bill, the actual purchase or sale price must be approved at an open meeting.

A successful amendment offered by Holberg would require that the closed portion of the meeting be tape recorded, and that the tape be preserved for two years. The tape would be available to the public following the property sale or purchase, or after the public body has abandoned sale or purchase plans.

Supporting the bill was the Minnesota School Boards Association.

The Minnesota Newspaper Association, however, opposed the bill. Attorney Mark Anfinson said that he was not opposed to allowing closed-door meetings for certain real estate provisions. However, he said, the bill goes too far in allowing private discussion of property strategy.

"Where are the boundaries of those sorts of limitations?" Anfinson said.

Richard Neumeister, who regularly lobbies legislators regarding privacy issues, also opposed the bill's strategy provision. The tape recording would allow the public to know what occurred during the closed-door session, but the tape could only be released after the property deal was closed or abandoned, he said.

The bill now moves to the House floor.

Its Senate companion (SF2114), sponsored by Sen. Steve Kelley (DFL-Hopkins), awaits committee action.

### Pollution prevention

A bill intended to help prevent raw sewage from entering Lake Superior was considered Feb. 25 by the House Jobs and Economic Development Finance Committee.

Sponsored by Rep. David Dill (DFL-Crane Lake), HF1813 would specifically grant \$1.57 million to the city of Two Harbors to construct a 2.5-million gallon equalization basin and a chlorine tank that holds at least 100,000 gallons that would sit adjacent to the city's wastewater treatment plant. To get the funding, \$325,000 must be committed from non-state sources.

Mike Tibbitts, program manager with the Minnesota Pollution Control Agency, told the committee that millions of gallons of raw sewage are running into the lake every year during heavy rains.

The agency notified the city of the pollution violation and is currently reviewing

Two Harbor's plan to correct the problem, which includes the tank and basin. Once the plan is approved, the city would have 300 days to make the changes.

City Attorney Steve Overom said Two Harbors cannot afford to make the necessary changes on its own in part because several housing developments, which would generate property taxes, are being held up because of sewage problems. A major city concern is not having the funding to complete the changes within the agency's guideline of 300 days.

The bill will be considered for possible inclusion in the committee's bonding recommendations. The governor did not recommend funding.

A Senate companion, SF1811, sponsored by Sen. Thomas Bakk (DFL-Cook), awaits action in the Senate Finance Committee.

### Continued coverage

A bill that calls for the continuance of a regional agency that sets standards, constructs, and operates a public safety radio system in the Twin Cities metropolitan area was approved Feb. 25 by the House Local Government and Metropolitan Affairs Committee.

Sponsored by Rep. Mary Liz Holberg (R-Lakeville), HF2136 would repeal part of state law that would allow the Metropolitan Radio Board to expire on June 30, 2004.

The bill, which moves to the House Governmental Operations and Veterans Affairs Policy Committee, would also allow the board to directly request revenue bonds for specified purposes from the Metropolitan Council.

"The bill says let the Metropolitan Radio Board continue and then see how it can integrate with a statewide system," Holberg said.

The 17-member board, which would increase by two members under the bill, represents counties and cities in the nine-county metropolitan area, including Chisago and Isanti counties. It was established by the Legislature in 1995 to set standards for the construction and operation of a high-frequency (800MHz) digital public safety radio system for the area.

The radio system's first phase started operating in 2002. The system cost of about \$36 million was funded through the Metropolitan Council, state-issued bonds, the state's trunk highway fund, and a portion of 911 emergency line fees paid by all telephone users.

Ronald Whitehead, a program director with the state Department of Public Safety, testified in opposition to the bill. Whitehead, who directs the statewide public radio system, said the radio board should expire as provided by law.

It was set up to build the Twin Cities metropolitan area part of the system, Whitehead said,

which will eventually become part of a statewide public safety communications network.

"There should be one system throughout the state, not two," Whitehead said. "Local governance is a very important piece and there is a plan for local engagement."

"It is extremely important to retain local control," said Dick McCauley, an Anoka County commissioner and radio board chairman, particularly through the system's second phase when more local government units will join it.

A Senate companion bill (SF1973), sponsored by Sen. Jane Ranum (DFL-Mpls), awaits committee action.

## SAFETY

### ★ Dispatchers as essential employees

A bill that would classify state employees who work as public safety radio communications operators as essential employees failed to pass the House Governmental Operations and Veterans Affairs Policy Committee Feb. 25.

Rep. Ron Erhardt (R-Edina), the sponsor of HF769, said it would eliminate the right to strike for 80 employees, and the employees must go to arbitration if labor negotiations do not result in a contract agreement.

The bill reached the House floor last session but was returned to the committee when the Legislature adjourned. A Senate companion (SF1045), sponsored by Senate Majority Leader Dean Johnson (DFL-Willmar), also reached the Senate floor but was not acted upon. It awaits action in the Senate State and Local Government Operations Committee.

During the state employees strike in October 2001, state troopers filled in for operators unwilling to cross the picket line. Troopers were exploring legal action against the department because they were taken off the road to perform dispatch functions, which was a violation of their contracts. The strike ended



After testifying before the House Governmental Operations and Veterans Affairs Policy Committee Feb. 25 in support of a bill that would classify public safety radio communications operators as essential employees, Col. Anne Beers, left, chief of the Minnesota State Patrol, listens to AFSCME Council 6 Legislative Director Julie Bleyhl, right, testify in opposition to the bill.

before any action took place.

Col. Anne Beers, chief of the Minnesota State Patrol, explained that because of the increasing computerized technology installed in the 10 centers, it would be hard to use other sources without some kind of training.

Representatives from the unions that represent state employees, the American Federation of State, County, and Municipal Employees (AFSCME) and the Minnesota Association of Professional Employees, testified against the legislation.

Beers said a poll of dispatchers done two years ago showed 57 out of 69 operators were in favor of the classification to essential.

Julie Bleyhl, legislative director of AFSCME Council 6, said a survey done by local leadership more recently strongly opposed the change.

### Emergency communication

A statewide system that would allow all law enforcement and public safety entities to communicate seamlessly and instantaneously would get a boost, under a bill approved Feb. 25 by the House Transportation Finance Committee.

HF1974, sponsored by Rep. Jim Knoblach (R-St. Cloud), would allocate \$9.6 million in revenue bond authority to the Metropolitan Council to help local governments in southeast and central Minnesota pay up to 50 percent of the cost of building a subsystem of the statewide public safety radio communications system.

Further, the bill would allow any participating entity to purchase equipment and services for the system without paying sales tax. Currently, sales tax is waived only for the metropolitan area government entities purchasing equipment related to the system's "backbone" infrastructure.

Agencies in nine Twin Cities metropolitan area counties can now choose to use a regionwide high-frequency system, referred to as 800-megahertz, allowing snowplows, buses, ambulances, and law enforcement officers to communicate without going through a dispatcher. The system is comprised of radio equipment, fiber-optic lines, operations consoles, and various antennas located on towers and tall buildings.

Greater Minnesota agencies, however, continue to use varying radio frequencies and equipment.

The bill would provide parity between Greater Minnesota and the metropolitan counties, Knoblach said. Previously authorized were \$18 million in bonds to metropolitan counties for the system.

Four more phases of the system would eventually provide for coverage of nearly the entire state. Knoblach added that he assumed bills would be introduced later to address funding



concerns for other portions of the state.

Rochester Police Lt. Tim Heroff said the bill would allow smaller communities that are concerned about the cost of the system to participate.

According to Keith Carlson, executive director of the Metropolitan Inter-County Association, the bonds would be paid back through a portion of the 40-cent monthly 911 surcharge on all telephones. The revenue bonds would not be backed by the state's taxing authority, he added. Revenue bonds generally have a higher interest rate.

The bill next goes to the House Taxes Committee.

A Senate companion (SF1638), sponsored by Sen. Dave Kleis (R-St. Cloud), awaits committee action.

## ★ TECHNOLOGY

### Genomics research funding

Meeting the state's future needs in biotechnology and medical genomics is the premise behind a request approved Feb. 25 by the House Higher Education Finance Committee.

Sponsored by Rep. Bob Gunther (R-Fairmont), HF1984 calls for the allocation of \$20 million for a three-floor expansion of a medical building at the Mayo Clinic in Rochester. The bill, included in the governor's bonding recommendations, now goes to the House Jobs and Economic Development Finance Committee.

The research laboratory space would be home to the Minnesota Partnership for Biotechnology and Medical Genomics, a joint venture between the University of Minnesota and the Mayo Clinic.

If the entities built a freestanding building, the costs would be double, said Dr. Eric Wieben, director of the Genomics Research Center at the Mayo Clinic. The Legislature allocated money during 2003 for planning the joint venture.

The partnership is designed to help position Minnesota as a global leader in the genomics area. Instead of competing, "We can share and get more for our money," said Dr. Mark Paller, assistant vice president for research at the university's Academic Health Center. The university and Mayo Clinic have already combined to put approximately \$400 million into their respective biotechnology and genomics programs.

"The time frame is shortening to make the economic investment to be genomic leaders," said Rep. Carla Nelson (R-Rochester), while noting that other states have allocated funds to equal where Minnesota is now.

"Genomics is the leading contender to create scientific breakthroughs and we need to

take advantage of that," Paller said. Genomics pinpoints the normal and abnormal functions of individual genes and uses the information to diagnose and treat diseases; therefore, it is an important factor in improving health care.

Officials estimate the technology could lead to the creation of 4,000 new jobs in Minnesota and result in \$290 million in overall economic development by 2010 and \$934 million by 2020.

Paller and Wieben said \$70 million would be requested over the next five years to, among other things, help fund additional research projects, update technology, and add scientific talent.

Sponsored by Sen. Richard Cohen (DFL-St. Paul), a companion bill (SF1923) awaits committee action.

## ★ TOURISM

### State agency autonomy

It's time for the Minnesota Office of Tourism to leave the Department of Employment and Economic Development and stand on its own, Rep. Gregory Davids (R-Preston) told the House Commerce, Jobs, and Economic Development Policy Committee Feb. 19.

Davids, who chairs the committee, said the way the office is currently configured does not meet the needs of the industry. He is sponsoring

a bill (HF2044) that would create a new office of tourism, to be called Explore Minnesota Tourism, within the executive branch.

The bill would transfer responsibility for promoting tourism to the new office. 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 members of a new governing body, the Minnesota Tourism Council. The committee adopted an amendment from Rep. Tony Sertich (DFL-Chisholm) that would increase the council size from 26, as authorized in the bill, to 28 and designate four of those to be legislators — two from each house, with an equal representation by political party.

The approved bill is next scheduled to be heard by the House Governmental Operations and Veterans Affairs Policy Committee. A companion bill (SF2009), sponsored by Sen. Thomas Bakk (DFL-Cook), awaits action in the Senate State and Local Government Operations 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.

Minnesota is being outspent on tourism marketing by neighboring states, said Edman. With more people leaving the state to travel than people coming here from out of state, he said it is time 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 the new agency the flexibility to pursue public-private partnerships, the bill would make the office more effective at generating marketing dollars, Edman said.

"This is the right direction to go," said Tom Day, who represents the state's restaurant, hotel, and resort businesses. "It's a new, innovative approach."

## ★ TRANSPORTATION

### Personal rapid transit plan

Imagine zooming to work non-stop in an automated personal pod along an elevated guideway, quickly and easily, at any time of day or night.

Such is the vision called personal rapid transit.

HF1686, sponsored by Rep. Mark Olson (R-Big Lake), would provide a \$10 million grant to a local government to install a safety certification and training model. Once certified, the system could be used by the public and installed in other locations.

### LONG-DISTANCE CALL



PHOTO BY ANDREW VONBANK

Speaking by video teleconference from Bosnia, Minnesota Army National Guard members Staff Sgt. Lisa Fleck, left, and Spc. Carlee Miller, right, tell the House Higher Education Finance Committee Feb. 23 about the benefits of an online program that allows overseas soldiers to take classes at one of 11 Minnesota State Colleges and Universities institutions.

The bill and an explanation of the system were provided to the House Transportation Finance Committee Feb. 18 and Feb. 19. Retired mechanical engineering professor and CEO of Taxi 2000 Corporation, J. Edward Anderson, said the SkyWeb Express system has one prototype vehicle in Fridley.

"This system is a real way to reduce congestion," Anderson said, adding that it could be connected with other systems, such as light-rail transit.

The elevated guideway and its supporting posts require less land mass than a freeway, he said, and can be installed between the lanes of a divided freeway. Other benefits are reductions in accidents and air pollutants and independence from oil.

The technology behind the system was founded in Minnesota, Olson said, but other countries are planning to market personal rapid transit systems.

"We need to get this," Olson said. "We need to keep it here."

The bill would require that the model contain a 2,200-foot oval guideway, one passenger station, and a maintenance and control center. Three vehicles would be provided through private funding from a Minnesota entity, presumably Taxi 2000.

To qualify, a community must contribute \$6 million and plan for a corresponding system serving the area.

The bill originally would have given the grant to the Duluth Transit Authority. However, after other communities said they wanted to host the model, the bill was amended to allow any local government entity to apply.

Minneapolis City Councilor Dean Zimmermann said he is working on a personal rapid transit system for downtown Minneapolis.

The bill was forwarded to the House Local Government and Metropolitan Affairs Committee without recommendation.

A Senate companion (SF1704), sponsored by Sen. Yvonne Prettner Solon (DFL-Duluth), awaits committee action.

### **Bus line funding**

An 80-mile bus corridor from downtown St. Paul to Hinckley would be funded, under a bill heard Feb. 24 by the House Transportation Finance Committee.

HF481, sponsored by Rep. Doug Meslow (R-White Bear Lake), seeks \$1 million in bonds for the Rush Line Corridor Busway. The busway would follow U.S. Highway 61 and Interstate 35 through Ramsey, Washington, Chisago, and Pine counties.

Although not included in the governor's

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

A 1999 task force representing counties, cities, townships, and regional railroad authorities recommended the following Rush Line projects, and their costs:

- Forest Lake Transit Center, \$489,458;
- Park-and-pool at I-35 and Chisago County highway 17, \$188,000;
- Park-and-ride at Maplewood Mall, \$188,000;
- Park-and-pool (for vanpools) at state highways 70 and 361 in Pine County, \$97,000; and
- Two vanpool vans, \$37,542.

Rush Line would operate on the shoulder or on an additional lane, said Kathy DeSpiegelaere, director of the Ramsey County Regional Railroad Authority.

It is estimated that the line would handle 8,100 riders a day in the year 2020 between White Bear Lake and downtown St. Paul, she added.

Information provided by DeSpiegelaere shows that by 2020 I-35E and I-35W traffic will rise by 25 percent south of Interstate 694, by 65 percent between White Bear Lake and Hugo, and by 50 percent north of Hugo. Congestion could increase with reconstruction of the interchange at I-35E and I-694, slated to take place between 2005 and 2007.

While the bill specifies that the line will terminate in Hinckley, a final terminus must be decided. "Hinckley perhaps is too far," DeSpiegelaere said.

The federal government appropriated \$1 million for study recommendations. One possible long-term solution for the corridor's traffic congestion, identified in a 2001 study, is commuter rail, she said.

The same study found that a busway is an appropriate 20-year solution, said Ramsey County Commissioner Victoria Reinhart. However, the proposed Cedar Avenue Bus Rapid Transit system between the Mall of America and Lakeville has a higher priority ranking than Rush Line, DeSpiegelaere said.

Rep. Peter Nelson (R-Lindstrom) said the corridor's congestion would not lessen, in part due to commuter traffic from Wisconsin. The project is appealing, he added, when the cooperation of local government units is noted.

A companion bill (SF619), sponsored by Sen. Becky Lourey (DFL-Kerrick), awaits committee action.

### **Pay by the mile**

Minnesotans pay for highway construction and repair with every gallon of gasoline purchased via the motor fuel tax. However, a bill approved by the House Transportation Policy Committee Feb. 24 would encourage the

Legislature to consider replacing that tax with a fee based on the number of miles driven by a vehicle.

The bill (HF2210), sponsored by Rep. Ron Erhardt (R-Edina), would establish a "road user task force" to develop a revenue collection method based on road use. The system would eventually replace the current gas tax.

Erhardt said the idea is driven by long-term concerns that gas tax revenues will decline due to the advancement of alternative fuel vehicles and improved vehicle mileage.

A mileage tax would require that automobiles be equipped with global positioning or geographic information systems to track which roads are traveled by each vehicle, and their corresponding fee. Oregon is instigating a pilot project, said Margaret Donahoe, legislative director for the Minnesota Transportation Alliance.

Bill proponents acknowledged that privacy advocates have concerns about "Big Brother" tracking the movements of individual vehicles. But such matters can be addressed, said Max Donath, a mechanical engineering professor at the University of Minnesota and director of the Intelligent Transportation Systems Institute.

"We can achieve whatever level of privacy you desire," he said, adding that the real issue is the degree of reasonableness. Credit cards allow a person to be tracked through purchases, he explained.

Minnesota participated in a 15-state road user fee study, according to Robert Johns, director of the University of Minnesota's Center for Transportation Studies.

The study found that while a mileage tax is feasible, it is difficult to implement. It would not be cost effective unless done nationwide, according to Ken Buckeye, project manager for the Minnesota Department of Transportation.

Under the bill, the task force would be composed of city, county, and state elected officials, as well as people representing Minnesota technology, highway user groups, and transportation research. It would be required to submit an interim report to the Legislature by Jan. 15, 2007, and a final report by Jan. 15, 2009.

The bill now moves to the House Governmental Operations and Veterans Affairs Policy Committee. It lacks a Senate companion.



For information on a meeting that linked legislators with National Guard soldiers in Bosnia, funding for online learning academies, weight restrictions for garbage trucks, funding for local airport projects, and information on state budget forecasts, go to the Session Weekly EXTRA page at: <http://www.house.mn/hinfo/swx.asp>

# Valuable assets

Legislators seek to take full advantage of trust fund lands to increase school funding, decrease general fund burden

By TOM LONERGAN

**W**hile not expecting to strike gold, education advocates plan to renew a debate on increasing the state's constitutionally created Permanent School Fund by raising more revenue from approximately 3.5 million acres of state-held school trust and mineral rights lands.

"We need to generate more income for schools," said Rep. Barb Sykora (R-Excelsior), who chairs the House Education Policy Committee. "It (the trust fund) really doesn't produce a lot of money for us."

The Department of Natural Resources (DNR) manages the school trust lands, which Minnesota has owned since statehood. Originally part of the 8.1 million acres in congressional land grants between 1857 and 1866, much of the best agricultural, timber, and mineral lands were sold to private interests by 1900, according to a January 2004 DNR report.

School trust land is primarily in north-central and northeast Minnesota, including the Iron Range and Arrowhead.

DNR officials and a State Board of Investment representative provided committee members with an update Feb. 23 on school trust lands, including an overview of how public school revenue is generated.

Approximately \$11.6 million in revenue from trust land and timber sales, as well as mineral and surface land leases went to the school fund in fiscal year 2003. Fund interest earnings also provided some additional income.

About \$20 million from the trust offsets a portion of state general fund revenue budgeted for K-12 education, according to the nonpartisan House Research Department. The amount varies annually based on lease payments, land and timber sales, other revenue sources, and trust fund investment earnings.

For the 2004-05 biennium, the Legislature appropriated about \$11.9 billion for the state's public and charter schools.

The biggest land-based contributor to the school trust fund is mineral leasing (\$6.7 million in 2003), primarily Iron Range-based taconite iron ore rents and royalties. Mineral



PHOTO BY TOM OLMSCHIED

**Department of Natural Resources Deputy Commissioner Mark Holsten, top, listens as William Brice, director of the department's Lands and Minerals Division, discusses the division's role regarding permanent school trust lands during a Feb. 23 meeting of the House Education Policy Committee.**

lease revenue increased more than \$2 million over the amount generated one year prior, even though short-term royalties that taconite companies paid to the state were cut in 2001 to help the ailing taconite industry. A current royalty reduction agreement for state taconite leases is in effect through June 30, 2006.

"All taconite (mines) have had some problems," said William Brice, DNR director of the lands and minerals division. "But the last three months, they've been doing well." Nearly two-thirds of the 95 state taconite leases in effect cover school trust lands.

Increasing aggregate leasing was among the suggestions DNR officials offered to boost school trust revenue. Aggregates include sand, crystal, and bedrock used in concrete and asphalt for building and road construction.

"There's a growing demand for aggregates, especially in the Twin Cities area," Brice said.

Rep. Tony Cornish (R-Good Thunder) has said he plans to introduce a bill that would appropriate \$50,000 to the DNR to conduct site surveys on school trust land to evaluate the potential for leasing construction aggregates.

Brice said some aggregate lease revenue for the school fund comes from Hill Annex Mine State Park in Itasca County, the only lease income generated from 5,700 acres of school trust land in eight state parks. The DNR hasn't used trust land for state parks since 1998, he said.

A sore point among some legislators is the unresolved issue of federal compensation for 87,000 acres of school trust land that became part of the Boundary Waters Canoe Area Wilderness in 1978. The area is part of the Superior National Forest.

"The state was never paid for the acres that went into the boundary waters," Sykora said.


She's sponsoring HF2242 that would ask Congress to increase the wilderness area reservation fee by \$3, with all proceeds going to Minnesota's school trust fund. A \$12 non-refundable reservation fee is charged for wilderness area users. The committee will consider the resolution at a later date.

"The \$3 fee is nothing," Sykora said. "The message is to Congress and our congressional delegation that it's time we got some compensation."

Brice said the compensation would involve land exchanges or trades, which the federal government has negotiated with counties and local government units in the wilderness area but not with the state.

Market value of the school trust fund as of June 30, 2003, was \$527 million, according to the State Board of Investment. Investment earnings for fiscal year 2003 were \$14 million, compared to \$24 million in 2001.

The Legislature approved a 50-50 stock versus bonds investment strategy for the fund beginning in 1998. Since that time, said James Heidelberg, the investment board's manager of public programs, trust fund earnings have been more closely pegged to the stock market.

"Moving into stocks has helped (the fund's long term growth)," Heidelberg said. However, he added, "It will be a choppy ride from year to year." 



## Monday, Feb. 23

### HF2309—Heidgerken (R) Judiciary Policy & Finance

Sauk Centre; former Minnesota correctional facility operation as minimum-security prison proposal request authorized.

### HF2310—Heidgerken (R) Judiciary Policy & Finance

Sauk Centre; former Minnesota correctional facility purchase bonds issued and money appropriated.

### HF2311—Rukavina (DFL) Taxes

Homestead property tax exemption provided for permanently and totally disabled veteran or spouse.

### HF2312—Ruth (R) Health & Human Services Policy

Tobacco use by patients in certain public chemical dependency or mental health treatment programs authorized.

### HF2313—Wasiluk (DFL) State Government Finance

Reverse auction procurement authority for commissioner of transportation restricted.

### HF2314—Tingelstad (R) Judiciary Policy & Finance

Promoting prostitution crime modified to include sex trafficking, and distribution formula for prostitution and sex trafficking-related forfeiture proceeds modified.

### HF2315—Juhnke (DFL) Health & Human Services Finance

Willmar; regional treatment center campus veterans nursing home funding provided, bonds issued, and money appropriated.

### HF2316—Mahoney (DFL) Jobs & Economic Development Finance

Tax incentives for certain retailers limited.

### HF2317—Juhnke (DFL) Agriculture Policy

Family agricultural revitalization zones authorized and value-added processing agriculture products promoted.

### HF2318—Hilty (DFL) Environment & Natural Resources Policy

Monitoring and evaluation of public and private wells in areas where sewage sludge is applied to agricultural land required, assessment for agency costs authorized, and money appropriated.

### HF2319—Hilty (DFL) Jobs & Economic Development Finance

Askov wastewater treatment plant and sewer extensions funding provided, bonds issued, and money appropriated.

### HF2320—Rukavina (DFL) Commerce, Jobs & Economic Development Policy

Annually adjusted minimum wage provided, and constitutional amendment proposed.

### HF2321—Larson (DFL) Health & Human Services Policy

Avian fecal pollution health effects study required, and money appropriated.

### HF2322—Davnie (DFL) Education Finance

Staff development funding authorized for school districts with schools not making yearly progress, and money appropriated.

### HF2323—Peterson (DFL) Commerce, Jobs & Economic Development Policy

Cemetery per acre ceiling amount for perpetual care fund increased.

### HF2324—Peterson (DFL) Environment & Natural Resources Finance

Bonanza Education Center excursion boat and landing funding provided, bonds issued, and money appropriated.

### HF2325—Osterman (R) Jobs & Economic Development Finance

Deaf and hard-of-hearing grants provided, and money appropriated.

### HF2326—Slawik (DFL) Health & Human Services Policy

Autism term changed to autism spectrum disorder.

### HF2327—Slawik (DFL) Health & Human Services Policy

Childcare assistance provisions modified.

### HF2328—Slawik (DFL) Taxes

Dependent care individual income tax credit modified.

### HF2329—Slawik (DFL) Health & Human Services Finance

Childcare assistance income eligibility levels modified, and money appropriated.

### HF2330—Holberg (R) Civil Law

Municipal tort liability status modified with respect to certain day care and child care claims.

### HF2331—Dorman (R) Transportation Finance

Driver's license fees reallocated to motorcycle safety fund, and funding cap removed.

### HF2332—Dorman (R) Taxes

Local government aid formula modified, taconite aids eliminated from computation of city formula aid, local government aid appropriation increased, homestead credit reimbursements delayed, and motor vehicle tax proceeds modified.

### HF2333—Howes (R) Higher Education Finance

Self-governance option for state colleges or universities, administration of an independent state college or university, and state aid for higher education provided; and money appropriated.

### HF2334—Howes (R) Environment & Natural Resources Policy

Surplus state lands sale, disposition, and management provisions modified; state forests and wildlife management areas expanded; and money appropriated.

### HF2335—Vandever (R) Governmental Operations & Veterans Affairs Policy

Incumbency designation eliminated from judicial ballots.

### HF2336—Juhnke (DFL) Transportation Policy

Operation of certain school bus warning equipment by day activity center buses authorized.

### HF2337—Seifert (R) Higher Education Finance

Doctoral degree or program report preparation by certain prospective institutions authorized.

### HF2338—Lenczewski (DFL) Taxes

Reverse referendum to rescind increases in certain state tax revenues and refund of rescinded revenue increases authorized, constitutional amendment proposed, and money appropriated.

### HF2339—Smith (R) Judiciary Policy & Finance

Nonconsensual inmate blood sample collection procedure established for instances when bloodborne pathogen transfer risk exists.

### HF2340—Haas (R) State Government Finance

Technology enterprise fund money appropriated.

### HF2341—Abeler (R) Health & Human Services Policy

Health occupations best practice guidelines usage promoted.

### HF2342—Knoblach (R) Jobs & Economic Development Finance

Minnesota Public Facilities Authority bonding authority modified.

### HF2343—Osterman (R) Jobs & Economic Development Finance

Minnesota development account modified, biotechnology and science project funding provided, and money appropriated.

### HF2344—Magnus (R) Taxes

Biotechnology and health sciences industry zone tax credits or exemption maximum increased.

### HF2345—Dempsey (R) Environment & Natural Resources Finance

Cannon Falls flood mitigation measures funding provided, bonds issued, and money appropriated.

### HF2346—Krinkie (R) Capital Investment

Capital improvements spending authorized, bond authorization adjustments provided, bonds issued, and money appropriated.

### HF2347—Krinkie (R) Governmental Operations & Veterans Affairs Policy

Lake Johanna Volunteer Fire Department included in Minnesota Public Employees Retirement Association.

### HF2348—Thissen (DFL) Health & Human Services Policy

Municipal cooperative services agreements for ambulance services authorized.

### HF2349—Abeler (R) Health & Human Services Policy

Birth defects information system implementation clarified, rulemaking authorized, and criminal penalties provided.

<b>HF2350—Lipman (R)</b> <b>Environment &amp; Natural Resources Finance</b> Stillwater flood mitigation project grant period extended.	<b>HF2361—Lesch (DFL)</b> <b>Judiciary Policy &amp; Finance</b> District court filing fees retention provided in specified counties with examiner of title or deputy examiner of title positions.	<b>HF2371—Thissen (DFL)</b> <b>Taxes</b> Tax refund anticipation loan disclosures required.	<b>HF2381—Dempsey (R)</b> <b>Taxes</b> Wabasha redevelopment district extension authorized.
<b>HF2351—Wasiluk (DFL)</b> <b>Health &amp; Human Services Policy</b> MinnesotaCare parent eligibility changed.	<b>HF2362—Lesch (DFL)</b> <b>Agriculture Policy</b> Ramsey County authorized to issue state fair concessions licenses.	<b>HF2372—Olson, M. (R)</b> <b>Transportation Finance</b> Northstar commuter rail; commissioner of transportation required to take steps to secure federal authorization to use federal funds allocated to Northstar rail line to be used for bus rapid transit in the corridor.	<b>HF2382—Latz (DFL)</b> <b>Commerce, Jobs &amp; Economic Development Policy</b> Perpich Center for Arts Education authorized to elect unemployment insurance coverage for certain positions.
<b>HF2352—Johnson, S. (DFL)</b> <b>Judiciary Policy &amp; Finance</b> Probation officers treated equally to correctional employees for purposes of certain assaults.	<b>HF2363—McNamara (R)</b> <b>Environment &amp; Natural Resources Policy</b> Invasive and nonnative species control provisions modified, and penalties provided.	<b>HF2373—Demmer (R)</b> <b>Transportation Policy</b> Trunk Highway 57 portion bordering Kasson-Mantorville High School speed limit established of 35 mph.	<b>HF2383—Lindgren (R)</b> <b>Environment &amp; Natural Resources Policy</b> Forest resources Interagency Information Cooperative provisions and State Timber Act modified.
<b>HF2353—Tingelstad (R)</b> <b>Environment &amp; Natural Resources Finance</b> Facilities management account established, and interdepartmental billing authorized for Department of Natural Resources building and infrastructure facilities.	<b>HF2364—Rhodes (R)</b> <b>Judiciary Policy &amp; Finance</b> Hopkins regional hazardous materials training facility construction funding provided, bonds issued, and money appropriated.	<b>HF2374—Abeler (R)</b> <b>Health &amp; Human Services Policy</b> Acupuncturist scope of practice modified.	<b>HF2384—Davids (R)</b> <b>Commerce, Jobs &amp; Economic Development Policy</b> School district employee statewide health insurance pool established.
<b>HF2354—Mullery (DFL)</b> <b>Judiciary Policy &amp; Finance</b> Lifetime conditional release imposed on sex offenders who fail to register as predatory offenders.	<b>HF2365—Hoppe (R)</b> <b>Environment &amp; Natural Resources Policy</b> Aboveground petroleum storage tanks enforcement and citation provisions modified.	<b>HF2375—Lanning (R)</b> <b>Higher Education Finance</b> Minnesota State University-Moorhead, and Minnesota State and Community Technical College-Moorhead capital improvements funding provided, bonds issued, and money appropriated.	<b>HF2385—Walz (R)</b> <b>Environment &amp; Natural Resources Policy</b> State parks and recreation areas additions provided.
<b>HF2355—Mullery (DFL)</b> <b>Judiciary Policy &amp; Finance</b> Predatory Offender Community Notification Law risk-level assessments requirement expanded, and scope of law expanded for offenders not sentenced to prison.	<b>HF2366—Hoppe (R)</b> <b>Environment &amp; Natural Resources Finance</b> Natural resources and environmental project funding provided, bonds issued, and money appropriated.	<b>HF2376—Rhodes (R)</b> <b>Governmental Operations &amp; Veterans Affairs Policy</b> Hopkins Volunteer Firefighter Relief Association authorized to offer an alternative interest rate amount on deferred lump service pensions as a demonstration project.	<b>HF2386—Osterman (R)</b> <b>Commerce, Jobs &amp; Economic Development Policy</b> Economic Security Department and Employment and Economic Development Department merged.
<b>HF2356—Howes (R)</b> <b>Environment &amp; Natural Resources Policy</b> Unrefunded gasoline tax attributable to motor boats report to the legislature required.	<b>HF2367—Smith (R)</b> <b>Judiciary Policy &amp; Finance</b> Law enforcement agencies required to return seized personal property if criminal charges are not filed within 90 days.	<b>HF2377—Abeler (R)</b> <b>Health &amp; Human Services Policy</b> Dentistry licensure provisions modified, and dental malpractice insurance required.	<b>HF2387—Boudreau (R)</b> <b>Governmental Operations &amp; Veterans Affairs Policy</b> Correctional state employees retirement plan of the Minnesota State Retirement System expanded to include laundry coordinators and delivery van drivers to the Minnesota Correctional Facility-Faribault.
<b>HF2357—Dill (DFL)</b> <b>Environment &amp; Natural Resources Policy</b> St. Louis County; public and private sales of tax-forfeited land bordering public waters authorized.	<b>HF2368—Hoppe (R)</b> <b>Environment &amp; Natural Resources Policy</b> Game and fish provisions modified relating to deer hunting provisions and fees, importation of cervidae carcasses, transport of game birds, youth firearm safety certificates, turtle licenses; and vehicle use authorized for beaver trapping.	<b>HF2378—Dorman (R)</b> <b>Local Government &amp; Metropolitan Affairs</b> Local municipal special assessment service charges expanded.	<b>HF2388—Marquart (DFL)</b> <b>Governmental Operations &amp; Veterans Affairs Policy</b> Age of eligibility for elective office changed from 21 to 18 by proposed constitutional amendment.
<b>HF2358—Mullery (DFL)</b> <b>Judiciary Policy &amp; Finance</b> Level III sex offenders required to submit to polygraph tests while on conditional release.	<b>HF2369—Westrom (R)</b> <b>Regulated Industries</b> Cold weather utility disconnection rule modified.	<b>HF2379—Dorman (R)</b> <b>Commerce, Jobs &amp; Economic Development Policy</b> Personal injury definition modified to include injury or disease resulting from certain vaccines relating to workers' compensation.	<b>HF2389—Marquart (DFL)</b> <b>Education Policy</b> Student advisory members authorized on local school boards, and impact of student involvement evaluated.
<b>HF2359—Abeler (R)</b> <b>Health &amp; Human Services Policy</b> Nurse licensure and certification requirements modified.	<b>HF2370—Dorman (R)</b> <b>Environment &amp; Natural Resources Finance</b> Shellrock River watershed improvements funding provided, bonds issued, and money appropriated.	<b>HF2380—Dorman (R)</b> <b>Taxes</b> Regional angel investment network fund investment income tax credit provided.	<b>HF2390—Opatz (DFL)</b> <b>Transportation Finance</b> St. Cloud Area Planning Organization funding provided for further development of the St. Cloud area joint planning district plan transportation component.

**HF2391—Bradley (R)**  
**Health & Human Services Policy**  
Controlled substance dispensing authority modified.

**HF2392—Finstad (R)**  
**Education Finance**  
Levy amounts increased for school district leases entered into before July 1, 2003, for leasing buildings or land.

**HF2393—Finstad (R)**  
**Health & Human Services Policy**  
Ambulance service licensees prohibited from collecting Social Security numbers from patients.

**HF2394—Lanning (R)**  
**Education Finance**  
After-school enrichment grant program reinstated.

**HF2395—Anderson, B. (R)**  
**Transportation Finance**  
Personal rapid transit system funding provided, bonds issued, and money appropriated.

**HF2396—Lenczewski (DFL)**  
**Taxes**  
Withholding tax credit provided for sale of net operating losses.

**HF2397—Peterson (DFL)**  
**Education Finance**  
School district members who are members of the National Guard or other military reserve who reported for active military duty paid a salary differential and continuation of benefits.

**HF2398—Davnie (DFL)**  
**Education Finance**  
Four-year-old students made eligible for extended time programs.

**HF2399—Murphy (DFL)**  
**Taxes**  
Proctor lodging tax revenue use authorized.

**HF2400—Huntley (DFL)**  
**Health & Human Services Policy**  
Health care; proposing an amendment to the constitution that every resident of Minnesota has the right to affordable, basic health care.

**HF2401—Juhnke (DFL)**  
**Transportation Policy**  
Rest areas; closure or commercial activity besides vending machines prohibited at rest areas.

**HF2402—Abeler (R)**  
**Education Policy**  
Classroom acoustics included in health and safety in education program expansion.

**HF2403—Magnus (R)**  
**Jobs & Economic Development Finance**  
Lewis and Clark Rural Water System-served counties, rural water systems, and municipalities funding provided, bonds issued, and money appropriated.

**HF2404—Howes (R)**  
**Jobs & Economic Development Finance**  
Wastewater treatment infrastructure funding provided, bonds issued, and money appropriated.

**HF2405—Tingelstad (R)**  
**Environment & Natural Resources Finance**  
Minnesota future resources fund and environment and natural resources trust fund appropriations availability extended.

**HF2406—Smith (R)**  
**Governmental Operations & Veterans Affairs Policy**  
Kindergarten through grade 12 public school system procedures and standards for contracting with private entities for services established, and public accountability provided.

**HF2407—Kohls (R)**  
**Civil Law**  
Emergency hold for a person who is pregnant and abusing alcohol or drugs required, and money appropriated.

**HF2408—Latz (DFL)**  
**Judiciary Policy & Finance**  
DWI; invalidation and return of DWI offender's driver's license for use as identification card for period of license suspension, revocation, or cancellation required.

**HF2409—Anderson, I. (DFL)**  
**Judiciary Policy & Finance**  
DWI; certain records relating to driving while impaired destruction after seven years required.

**HF2410—Mullery (DFL)**  
**Civil Law**  
Real estate restrictions against display of flags prohibited, and attorney fees for foreclosure of liens consistency with mortgage foreclosure fees provided.

**HF2411—Latz (DFL)**  
**Health & Human Services Policy**  
Smoking in certain public areas and places of employment prohibited.

**HF2412—Lenczewski (DFL)**  
**Ways & Means**  
Revenue forecast separate estimate of cost or applying inflation to expenditures required.

**HF2413—Thissen (DFL)**  
**Commerce, Jobs & Economic Development Policy**  
Airport areas development fund created.

**HF2414—Thissen (DFL)**  
**Jobs & Economic Development Finance**  
Noise pollution mitigation eligibility for contamination cleanup grants authorized.

**HF2415—Wasiluk (DFL)**  
**Commerce, Jobs & Economic Development Policy**  
Accident prevention courses taken in other states recognized.

**HF2416—Johnson, J. (R)**  
**Education Finance**  
High performance teacher reward pilot project provided, and money appropriated.

**HF2417—Seagren (R)**  
**Education Finance**  
School readiness programs for charter schools and compensatory revenue usage for early literacy efforts authorized.

**HF2418—Severson (R)**  
**Education Finance**  
Scholars of distinction program expansion and administration provided, and money appropriated.

**HF2419—Kohls (R)**  
**Civil Law**  
Purchase money mortgages provided.

**HF2420—Peterson (DFL)**  
**Health & Human Services Policy**  
Food, beverage, and lodging establishment inspection requirements modified.

## Thursday, Feb. 26

**HF2421—Abeler (R)**  
**Health & Human Services Finance**  
Minnesota Family Investment Program grant supplemental security income treatment modified.

**HF2422—Smith (R)**  
**Governmental Operations & Veterans Affairs Policy**  
Retirement service credit purchase payment determination procedures extended until 2009.

**HF2423—Howes (R)**  
**Environment & Natural Resources Finance**  
Paul Bunyan Trail extension funding provided, bonds issued, and money appropriated.

**HF2424—Seifert (R)**  
**Environment & Natural Resources Policy**  
Pollution Control Agency total maximum daily load report procedure established.

**HF2425—Samuelson (R)**  
**Health & Human Services Policy**  
Collaborative service models provided for coordination of home and community-based elderly waiver services and additional nursing facility services with the prepaid medical assistance program.

**HF2426—Westerberg (R)**  
**Commerce, Jobs, & Economic Development Policy**  
Workers compensation premium base exclusion provided for periods of paid leave.

**HF2427—Opatz (DFL)**  
**Higher Education Finance**  
Applied doctoral degrees provided at state universities in the Minnesota State Colleges and Universities system.

**HF2428—Dorman (R)**  
**Environment & Natural Resources Finance**  
Blazing Star Trail segment funding provided, bonds issued, and money appropriated.

**HF2429—Sieben (DFL)**  
**Health & Human Services Policy**  
Tattoo artist regulation required for introduction in the 2005 legislative session.

**HF2430—Sieben (DFL)**  
**Taxes**  
Taxable income definition modified.

**HF2431—Adolphson (R)**  
**Local Government & Metropolitan Affairs**  
County recorder authorized to accept security deposits to guarantee payment of charges.

**HF2432—Lenczewski (DFL)**  
**Taxes**  
Single sales apportionment phased in relating to corporate franchise tax.

**HF2433—Hackbarth (R)**  
**Environment & Natural Resources Policy**  
Natural resources commissioner rulemaking exemptions and authorities granted, fees authorized, and civil penalties modified.

**HF2434—Haas (R)**  
**Transportation Policy**  
Emergency vehicle lights and sirens consistent standards provided.



**HF2435—Kahn (DFL)****Taxes**

Motor vehicle tax add-back of certain deductions required.

**HF2436—Abeler (R)****Health & Human Services Policy**

Public health emergencies policy declaration provided.

**HF2437—Haas (R)****Health & Human Services Policy**

Health insurance regulation changes provided, and banking and insurance laws modified to accommodate health savings accounts.

**HF2438—Huntley (DFL)****Health & Human Services Finance**

Minnesota Family Investment Program rental subsidies and Supplemental Security Income grant reduction laws amended.

**HF2439—Brod (R)****Commerce, Jobs, & Economic Development Policy**

Real estate brokers and sales persons regulated, and real property law changes and re-codification provided.

**HF2440—Rukavina (DFL)****Commerce, Jobs, & Economic Development Policy**

Notice of intent to shift jobs out of the country required.

**HF2441—Heidgerken (R)****Judiciary Policy & Finance**

Sauk Centre; Minnesota Correctional Facility purchase bonds issued and money appropriated.

**HF2442—Swenson (R)****Agriculture Policy**

Farm liens and financing statements regulated, filing requirements established, and fees specified.

**HF2443—Holberg (R)****Civil Law**

Sexual harassment definition; Civil Rights Act of 1964 burden of proof and affirmative defense conformity provided.

**HF2444—Kohls (R)****Civil Law**

Civil action limitation periods regulated, and uniform conflict of laws limitations act established.

**HF2445—Hausman (DFL)****Transportation Finance**

Central Corridor Transit Way funding provided, bonds issued, and money appropriated.

**HF2446—Knoblach (R)****Ways & Means**

State fund and account elimination and consolidation principles, criteria, and procedures authorized.

**HF2447—Walz (R)****Judiciary Policy & Finance**

Failure to yield right-of-way resulting in injury or death criminal penalties imposed.

**HF2448—Abrams (R)****Local Government & Metropolitan Affairs**

Affordable and life-cycle housing opportunity amount determination method and basis for municipalities to choose not to participate modified.

**HF2449—Rukavina (DFL)****Governmental Operations & Veterans Affairs Policy**

Military service credit purchase sunset date eliminated.

**HF2450—Dill (DFL)****Environment & Natural Resources Finance**

North Shore state park restoration funded, bonds issued, and money appropriated.

**HF2451—Simpson (R)****Regulated Industries**

Energy capital assistance program funding using proceeds from renewable development account provided, and administrative changes specified.

**HF2452—Gerlach (R)****Health & Human Services Policy**

Dentist jurisprudence examination modified.

**HF2453—Erickson (R)****Civil Law**

Funeral provider attorney fee recovery in actions to recover costs of services authorized.

**HF2454—Smith (R)****Governmental Operations & Veterans Affairs Policy**

Public Employees Retirement Association post-sentencing officers and emergency dispatchers retirement plan created, and money appropriated.

**HF2455—Smith (R)****Judiciary Policy & Finance**

Five-level correctional facility classification system authorized.

**HF2456—Cornish (R)****Environment & Natural Resources Policy**

Natural Resources Department equipment requirements modified, patrol vehicle security barrier requirement exemption provided, enforcement personnel designated, and rules enforced.

**HF2457—Smith (R)****Governmental Operations & Veterans Affairs Policy**

Public Employees Retirement Association police and fire plan disability applications procedure modified, and medical advisor duties clarified.

**HF2458—Smith (R)****Governmental Operations & Veterans Affairs Policy**

Public pension plan qualified investments list modified to include annuities.

**HF2459—Thao (DFL)****Education Finance**

Adult basic education formula modified, and canceled appropriations directed to certain programs serving recently arrived immigrants.

**HF2460—Simpson (R)****Governmental Operations & Veterans Affairs Policy**

Wadena; Fair Oaks Lodge privatization coverage provided for employees involved in Public Employees Retirement Association.

**HF2461—Cornish (R)****Agriculture Policy**

Electronic grain purchase documents including warehouse receipts authorized, and validity of signatures provided.

**HF2462—Haas (R)****Health & Human Services Policy**

Minnesota Comprehensive Health Association provisions modified.

**HF2463—Slawik (DFL)****Judiciary Policy & Finance**

Firearms prohibition on school property general policy exceptions repealed.

**HF2464—Slawik (DFL)****Transportation Policy**

Safe School Zone Law enacted.

**HF2465—Osterman (R)****Jobs & Economic****Development Finance**

Employment support services for persons with mental illness grants provided, and money appropriated.

**HF2466—Otto (DFL)****Governmental Operations & Veterans Affairs Policy**

Marine on St. Croix Volunteer Firefighters Relief Association earlier vesting schedule provided.

**HF2467—Cornish (R)****Environment & Natural Resources Policy**

State trust land construction aggregates evaluation provided.

**HF2468—Sertich (DFL)****Jobs & Economic****Development Finance**

Greater Minnesota business development public infrastructure grant program and Greater Minnesota redevelopment account funding provided, bonds issued, and money appropriated.

**HF2469—Urdahl (R)****Commerce, Jobs, &****Economic Development Policy**

Minnesota Comprehensive Health Association writing carrier changes; commerce commissioner approval required, and non-metropolitan board representation required.

**HF2470—Mahoney (DFL)****Jobs & Economic****Development Finance**

Historic Fort Snelling improvements funding provided, bonds issued, and money appropriated.

**HF2471—Bradley (R)****Health & Human Services Policy**

Long-term care provider damages limited.

**HF2472—Vandevveer (R)****Taxes**

Income tax check-off provided to fund benefits for survivors of law enforcement officers and firefighters, injured public safety officers, and providing for maintenance of peace officer and firefighter memorials.

**HF2473—Fuller (R)****Health & Human Services Policy**

Childcare payments limited upon reaching specified number of absences.

**HF2474—Fuller (R)****Judiciary Policy & Finance**

Child maltreatment allegations in Department of Corrections licensed facilities investigation responsibility transferred from the county local welfare agency to the Department of Corrections.

**HF2475—Lindgren (R)****Environment & Natural****Resources Policy**

Utilities or pipeline companies exempted from certain all-terrain vehicle regulations.

**HF2476—Fuller (R)****Civil Law**

Child support judgments made permanent, and renewal requirement eliminated.

**HF2477—Lindgren (R)****Civil Law**

Administrative procedures authorized for redirecting child support in limited cases.

**HF2478—Swenson (R)**  
**Environment & Natural Resources Policy**  
Planting trees over public or private drain tile lines prohibited.

**HF2479—DeLaForest (R)**  
**Transportation Policy**  
Highway contract and restriction provisions modified, electronic bidding authorized, specified transportation committee sunsets modified, and technical changes provided.

**HF2480—Peterson (DFL)**  
**Environment & Natural Resources Policy**  
Natural Resources Department required to obtain permits for construction activities in watershed districts.

**HF2481—Dorn (DFL)**  
**Taxes**  
Electric generation facility property tax exemption extended.

**HF2482—Erhardt (R)**  
**Governmental Operations & Veterans Affairs Policy**  
House districts 41A and 41B boundary error corrected.

**HF2483—Marquart (DFL)**  
**Jobs & Economic Development Finance**  
Detroit Lakes Regional Pavilion renovation grant provided, bonds issued, and money appropriated.

**HF2484—Smith (R)**  
**Judiciary Policy & Finance**  
CrimNet law and operations modified.

**HF2485—Zellers (R)**  
**Transportation Finance**  
Marked Trunk Highway 610 segment completion as a four-lane freeway funding provided, bonds issued, and money appropriated.

**HF2486—Eken (DFL)**  
**Taxes**  
Income tax rates modified, nursing home residents credit provided, and money appropriated.

**HF2487—Huntley (DFL)**  
**Commerce, Jobs, & Economic Development Policy**  
Joint self-insurance plans regulated.

**HF2488—Nornes (R)**  
**Higher Education Finance**  
Postsecondary childcare grant payments modified.

**HF2489—Erhardt (R)**  
**Transportation Policy**  
County state-aid highway fund future allocation formula established based equally on lane mileage and vehicle registration contingent on future tax increases.

**HF2490—Gunther (R)**  
**Regulated Industries**  
Biomass-fueled community energy systems funding provided, bonds issued, and money appropriated.

**HF2491—Paymar (DFL)**  
**Civil Law**  
*Ex parte* orders for protection and temporary restraining orders made effective upon a referee's signature.

**HF2492—Kelliher (DFL)**  
**Jobs & Economic Development Finance**  
Federally subsidized transit facilities bidding exception provided.

**HF2493—Lanning (R)**  
**Local Government & Metropolitan Affairs**  
Public funds deposit alternative collateralizing method provided, and existing collateralization language clarified.

**HF2494—Thissen (DFL)**  
**Health & Human Services Policy**  
Skilled nursing facility and hospice services for dual eligibles medical assistance coverage clarified.

**HF2495—Otremba (DFL)**  
**Environment & Natural Resources Policy**  
Conservation easements provided.

**HF2496—Lesch (DFL)**  
**Civil Law**  
Exclusion or limitation of certain liability of the state prohibited.

**HF2497—Westrom (R)**  
**Civil Law**  
Child protection relative search requirements modified.

**HF2498—Mullery (DFL)**  
**Civil Law**  
Landlords required to notify tenant if a rental unit may have been the site of unlawful controlled substance manufacture, remedy provided for failure to receive notice, and law enforcement required to notify landlords of certain activity.

**HF2499—Samuelson (R)**  
**Health & Human Services Policy**  
Human services employee scholarship in English as a second language limitations provided.

**HF2500—Simpson (R)**  
**Environment & Natural Resources Policy**  
Polychlorinated biphenyls (PCB) wastes regulated.

**HF2501—Abrams (R)**  
**Taxes**  
Life insurance tax rate reduced.

**HF2502—Seagren (R)**  
**Education Policy**  
Mental health community representative included on a community transition team.

**HF2503—Seagren (R)**  
**Education Policy**  
Mental health screening required when a student is suspended from school for more than ten days in a school year.

**HF2504—Penas (R)**  
**Health & Human Services Policy**  
Seasonal employee health coverage obtained through purchasing alliances modified.

**HF2505—Abeler (R)**  
**Health & Human Services Finance**  
Rate reduction terminated for certain continuing care providers.

**HF2506—Abeler (R)**  
**Health & Human Services Finance**  
Annual rate increases provided for certain care providers.

**HF2507—Dorman (R)**  
**Health & Human Services Finance**  
Nursing facility case-mix payment rates based upon statewide averages.

**HF2508—Huntley (DFL)**  
**Higher Education Finance**  
Tuition reciprocity requirements modified for Wisconsin students attending the University of Minnesota-Duluth.

**HF2509—Huntley (DFL)**  
**Health & Human Services Policy**  
MinnesotaCare benefits provided under the limited benefits set expanded.

**HF2510—Huntley (DFL)**  
**Regulated Industries**  
License fee structure modified for brewers, and certain brewers allowed to sell directly to consumers.

**HF2511—Huntley (DFL)**  
**Health & Human Services Policy**  
Sustainable health care act established providing for health care coverage reform and public programs for low-income and working Minnesotans, requiring a report, and appropriating money.

**HF2512—Kelliher (DFL)**  
**Environment & Natural Resources Finance**  
Minneapolis; Lake of the Isles flood mitigation funding provided, bonds issued, and money appropriated.

**HF2513—Samuelson (R)**  
**Health & Human Services Finance**  
Fetal alcohol spectrum disorder appropriation transferred, and prevention and intervention services required.

**HF2514—Seifert (R)**  
**Judiciary Policy & Finance**  
Corrections commissioner required to request proposals for housing individuals committed to the state in private prisons.

**HF2515—Erickson (R)**  
**Governmental Operations & Veterans Affairs Policy**  
Corporation definition expanded relating to campaign finance.

**HF2516—Erickson (R)**  
**Governmental Operations & Veterans Affairs Policy**  
Electronic wagers authorized for horse racing.

**HF2517—Beard (R)**  
**Regulated Industries**  
Commerce Department rules repealed governing telephone utilities generally and community calling plans.

**HF2518—Beard (R)**  
**Regulated Industries**  
Telecommunications utility deposits interest provisions modified.

**HF2519—Jacobson (R)**  
**Taxes**  
Lawful gambling tax rates reduced.

**HF2520—Rhodes (R)**  
**Governmental Operations & Veterans Affairs Policy**  
Tipboard games provided.

**HF2521—Jacobson (R)**  
**Governmental Operations & Veterans Affairs Policy**  
Lawful gambling days of operation on certain premises modified, bingo prize limits increased, and tipboard rule authority extended.

**HF2522—Blaine (R)**  
**Local Government & Metropolitan Affairs**  
Township levy and spending authority clarified, and total revenue defined.

**HF2523—Mullery (DFL)**  
**Judiciary Policy & Finance**  
Penalties provided for selling narcotics in a public place.

**HF2524—Mullery (DFL)**  
**Judiciary Policy & Finance**  
Violent offenders convicted of offenses involving dangerous weapons or controlled substances required to consent to on-demand searches as a condition of being released on parole, probation, or supervised release.

**HF2525—Lanning (R)****Health & Human Services Finance**

Life estate or joint tenancy interest continuation allowance effective date modified, and refund by human services commissioner required.

**HF2526—Gerlach (R)****Local Government & Metropolitan Affairs**

Property tax notice first class mailing requirement removed.

**HF2527—Cornish (R)****Transportation Policy**

Ten-ton system of county and county state-aid highways development and implementation provided, bonds issued, and money appropriated.

**HF2528—Juhnke (DFL)****Agriculture & Rural Development Finance**

County extension work modified and county extension office matching funds provided.

**HF2529—Hoppe (R)****Regulated Industries**

Geographic boundaries for local calling within the state expanded and intercompany compensation policy for exchange of certain traffic implemented.

**HF2530—Abeler (R)****Health & Human Services Policy**

Statewide health data management plan preparation by commissioner of health required.

**HF2531—Erhardt (R)****Taxes**

Transit pass credit conversion to refund and extension to additional employers provided.

**HF2532—Lanning (R)****Environment & Natural Resources Finance**

Oakport Township flood hazard mitigation funding provided, bonds issued, and money appropriated.

**HF2533—Bradley (R)****Health & Human Services Finance**

Tobacco product tax increased, MinnesotaCare tax on health care providers reduced, Minnesota Comprehensive Health Association assessment eliminated, and money appropriated.

**HF2534—Hilstrom (DFL)****Education Policy**

Student athlete participation in sports competitions and on non-school sports teams during high school sports season allowed.

**HF2535—Lanning (R)****Health & Human Services Policy**

Childcare assistance provider reimbursement rate grant program created, and money appropriated.

**HF2536—Lanning (R)****Judiciary Policy & Finance**

Crime victim services grant distribution formula recommendation task force established, and money appropriated.

**HF2537—Boudreau (R)****Health & Human Services Policy**

Adverse health care event reporting system modified and certain reports required.

**HF2538—Swenson (R)****Judiciary Policy & Finance**

Trespass law expanded.

**HF2539—Hornstein (DFL)****Transportation Policy**

Toll facilities plan preparation required and non-compete provisions in toll facility development agreements restriction or prohibition of development, design, construction, or operation of public transit prohibited.

**HF2540—Abrams (R)****Taxes**

Housing development project financing bonds full faith and credit of a governmental unit pledge by housing and redevelopment authorities authorized.

**HF2541—Beard (R)****Governmental Operations & Veterans Affairs Policy**

Aircraft pilot special retirement coverage provision modified.

**HF2542—Westrom (R)****Regulated Industries**

Cable franchise procedures and requirements modified.

**HF2543—Thissen (DFL)****Health & Human Services Policy**

Children's health security account and related program established; eligibility criteria, covered services, and administrative procedures specified; tobacco products tax increased; and money appropriated.

**HF2544—Thissen (DFL)****Taxes**

Small business technology income taxation credit provided.

**HF2545—Abeler (R)****Health & Human Services Policy**

Prescription drug coverage removal from aggregate dollar cap for MinnesotaCare enrollees with limited benefit coverage option provided.

**HF2546—Walker (DFL)****Education Policy**

Comprehensive family life and sexuality education programs provided, and money appropriated.

**HF2547—Demmer (R)****Education Finance**

Lease levy authority cuts restored.

**HF2548—Demmer (R)****Education Policy**

Swimming pool requirements for high school diving competitions modified.

**HF2549—Mahoney (DFL)****Jobs & Economic Development Finance**

Biotechnology and health science industry additional zone designation for nanotechnology authorized.

**HF2550—Howes (R)****Environment & Natural Resources Finance**

Forestland and conservation easement acquisition to match federal forest legacy funds bonds issued, and money appropriated.

**HF2551—Stang (R)****Commerce, Jobs, & Economic Development Policy**

Safe deposit companies regulated, and collateral requirements applicable to depositories of local public funds modified.

**HF2552—Abrams (R)****Taxes**

Taxation procedure, sustainable forest incentive program, and tax data policy and administrative changes provided.

**HF2553—Rhodes (R)****Jobs & Economic Development Finance**

Hennepin County; Colin Powell youth center construction funded, bonds issued, and money appropriated.

**HF2554—Osterman (R)****Health & Human Services Policy**

Health and accident insurance dependent coverage regulated.

**HF2555—Blaine (R)****Transportation Policy**

Instruction permit and provisional driver's license issuance after certain conditions limited.

**HF2556—Anderson, J. (R)****Environment & Natural Resources Finance**

Natural resource and environment project bonds issued, and money appropriated.

**HF2557—Gerlach (R)****Governmental Operations & Veterans Affairs Policy**

Incumbency designation on judicial ballots eliminated.

**HF2558—Sykora (R)****Education Policy**

Social studies and science rigorous core academic standards authorized and implemented.

**HF2559—Mariani (DFL)****Education Finance**

Limited English proficiency programs funding limit removed.

**HF2560—Ruth (R)****Transportation Policy**

Highway improvement allocations equal distribution between metropolitan area and remainder of state required.

**HF2561—Urdahl (R)****Education Policy**

Pupil transportation requirements modified.

**HF2562—Mariani (DFL)****Education Finance**

Parallel special education funding for school districts and charter schools provided, and pupil count used to adjust special education revenue amounts modified.

**HF2563—Mariani (DFL)****Education Finance**

Charter school pupil transportation formulas modified.

**HF2564—Abeler (R)****Education Policy**

Swimming pool usage by school districts for competitive high school diving authorized.

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

## MINNESOTA INDEX

### Tuition reciprocity

Number of full reciprocity agreements Minnesota has with neighboring states .....	3
Partial agreements .....	1
Number of schools, per state, with partial agreements between Minnesota and Iowa .....	1
Year reciprocity began with Wisconsin, in which student pays tuition rate based on resident rate at a comparable school in their home state .....	1968
Year agreements began with North Dakota and South Dakota, respectively, where student pays higher resident tuition rate of the school they are attending or a comparable school in their home state .....	1975, 1978
Minnesota residents taking part in reciprocity program with Wisconsin in fall 2002 .....	13,209
North Dakota .....	6,912
South Dakota .....	1,775
Approximate number of non-Minnesotans who attended a public college in Minnesota in fall 2002 under the tuition reciprocity program .....	18,000
Average resident tuition and fees charged to an undergraduate student from Minnesota attending the College of Liberal Arts at the University of Minnesota's Twin Cities campus full time in 2003-04 .....	\$7,344
Average for a Wisconsin student .....	\$6,288
Non-resident rate .....	\$18,974
Non-resident tuition and fees at the University of Wisconsin-Madison in 2003-04 .....	\$19,136
Resident tuition and fees .....	\$5,136
Amount a Minnesota student would pay .....	\$6,544
Surcharge assessed Wisconsin students at the University of Minnesota's Twin Cities campus to help make up the difference between the state's resident tuition rates, as percent .....	25
With the surcharge included, extra amount that Minnesota students paid to attend the university's Twin Cities and Duluth campuses in 2002-03, as percent, respectively .....	28, 49
Resident tuition and fees charged to a Minnesota undergraduate student attending the Minnesota State University-Mankato full time in 2003-04 .....	\$4,506
Wisconsin student .....	\$4,234
Non-resident rate .....	\$8,775
Total paid by Minnesota in interstate payments to compensate for unequal taxpayer burden between states for fiscal year 2002 .....	\$131,484
Millions estimated to be paid by Minnesota during past five years .....	\$16
Percent that Minnesota law requires the state to fund of the estimated instruction costs of nonresidents attending a Minnesota institution under a reciprocity agreement .....	67
Millions estimated in fiscal year 2002 .....	\$74

Sources: *Higher Education Tuition Reciprocity*, Office of the Legislative Auditor, September 2003; House Research Department; Minnesota Higher Education Services Office.

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