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In this issue:

SUPPLEMENTAL BUDGET RECOMMENDED

FELONS' VOTING RIGHTS, GRADUATION STANDARDS, AND MORE

HF2976-HF1105

# Session Weekly

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## CONTENTS

### HIGHLIGHTS

Agriculture • 5  
Children • 6  
Consumers • 7  
Crime • 8  
Development • 8  
Education • 9  
Elections • 11  
Employment • 12

Energy • 13  
Environment • 13  
Family • 14  
Gambling • 14  
Government • 14  
Health • 15  
Higher Education • 16

Law • 16  
Local Government • 17  
Metro Affairs • 18  
Recreation • 18  
Safety • 18  
Technology • 19  
Transportation • 20

### FEATURES

**LATE ACTION — EDUCATION:** The House passed new social studies and science standards during the floor session March 18. • 20

### DEPARTMENTS/RESOURCES

It's A Fact: Careful balance • 4  
Bill Introductions (HF2976-HF3105) • 21

Minnesota Index:  
Minnesota Agriculture • 24

On the cover: Activity on the State Office Building stairs will begin to slow as committees complete their business and activity moves over to the House Chamber.

—Photo by Tom Olmscheid

# Nip and tuck

Legislators examine governor's plan to balance 2004-05 budget, long-term effects of proposed solutions

By MICHELLE KIBIGER

Finance officials agree that the February budget forecast released at the end of last month did not change much from previous estimates. Nevertheless, it projects a \$160 million hole in the 2004-05 general fund budget that must be filled prior to the close of the fiscal biennium on June 30, 2005.

In addition, the forecast predicted that based on current law, there will also be a deficit of \$441 million at the end of the 2006-07 biennium.

Legislative committees are weighing these concerns, along with other policy initiatives laid out by Gov. Tim Pawlenty in his 2004 supplemental budget requests. And the solution proves to be a difficult one, as many of the one-time shifts that were utilized in the past are no longer available.

"We're pretty much tapped out," Finance Commissioner Peggy Ingison told the House Taxes Committee March 11.

The committee heard the forecast update and governor's supplemental requests March 11 and March 16. Other House committees have also begun discussing the adjustments requested by the governor.

Pawlenty's supplemental budget would erase the deficit for 2004-05, while allowing for some additional spending, but would only account for about \$104 million of the additional deficit projected for 2006-07, leaving the projected deficit at \$338 million by June 30, 2007.

Members of the tax committee expressed

concern that the forecast clearly shows revenues will not exceed expenditures through fiscal year 2007, even though expenditure projections do not account for inflation and revenues do reflect nominal adjustments according to economic expectations.

Ingison acknowledged that the levels of spending in current law cannot be sustained by the revenues.

According to a letter submitted by Ingison to legislative leaders, the 2004-05 budget adjustments include the following:

- \$95 million in targeted and operating budget cuts,
- \$62 million in additional program spending,
- \$50 million in revenue adjustments, and
- \$70 million in transfers from other funds, primarily the health care access fund.

The adjustments would leave the projected budget reserve at \$631 million, though the governor is asking the Legislature to authorize a transfer of \$350 million in reserves to the cash flow account, to accommodate any unanticipated spending that might be required to balance the budget prior to the close of the fiscal biennium.

Without the transfer, said State Budget Director James Schowalter, the state may have to resort to short-term borrowing and allotment, an ac-

tion allowed the executive branch near the end of a fiscal biennium in order to balance the budget as required by the constitution. Without legislative action, the governor cannot use the budget reserve for cash flow purposes.



PHOTO BY TOM OLMSCHIED

**Revenue Commissioner Dan Salomone answers questions from members of the House Taxes Committee March 16 regarding Gov. Tim Pawlenty's supplemental budget proposal.**

## Gov. Pawlenty's supplemental general fund budget net effect, by committee

Health and Human Services .....	-\$105.9 million
Taxes .....	-\$46.7 million
Higher Education .....	-\$19.3 million
State Government .....	-\$11.2 million
Jobs and Economic Development .....	-\$7.8 million
Environment and Natural Resources .....	-\$3 million
Transportation .....	-\$2.6 million
Agriculture .....	-\$381,000
Education .....	\$5.2 million
Capital Investment/Debt Service ....	\$13.9 million
Judiciary .....	\$17.9 million
<b>Total .....</b>	<b>-\$159.8 million</b>

Source: House Fiscal Analysis Department

The biggest chunk of the budget cuts in the governor's plan fall in the health and human services area, a total of nearly \$106 million. Primarily, the cuts would be targeted at trimming reimbursement rates for continuing care providers and reducing payment rates for inpatient, outpatient, and pharmacy services under Medical Assistance and General Assistance Medical Care. Those programs provide state- and federal-funded medical care for low-income individuals.

"This has been a challenge to this agency. We don't take the magnitude of these reductions lightly," said Jane Hardwick, chief financial officer for the Department of Human Services, before the House Health and Human Services Policy Committee March 17.

However, the governor is also proposing new health and human services related to increasing civil commitments of sex offenders, a program run by the Department of Human Services, and to cover additional federal requirements for pregnant women and infants under Medical Assistance.

The governor also proposed across the board 3 percent spending reductions for state agencies and constitutional offices.

On the revenue side, the governor proposes transferring the surplus in the state higher education grant program worth \$15 million, Legislature carry-forward funds worth \$7 million, half of the balance in the 21st Century Minerals Fund at \$5.7 million, and the unclaimed lottery prize account at \$1.3 million.

Susan Heegaard, director of the Higher Education Services Office, told the House Higher Education Finance Committee March 8 that



there may still be grant money for college students despite the transfer, and projections for 2005 did account for tuition increases.

New short-term revenue would be created through several tax-related proposals.


- An extra \$35.6 million in revenue would be created by requiring up-front sales tax payments for car and truck leases, though the revenue boon would only last through 2007 and taper off in subsequent years. Currently, sales taxes are charged monthly on lease agreements.
- An extra \$10.5 million in 2005 and \$3.5 million per year (beyond) would be gained by a change in the way cigarette taxes are collected. Rather than collecting a sales tax on purchases, the proposal would create a gross receipt tax from distributors. Long-term gains are attributed to greater compliance in paying the taxes.
- Nearly \$2 million would be generated in compliance efforts related to income tax paid by foreign operating corporations and in requiring non-Minnesota sellers to collect and pay Minnesota sales tax in order to compete for state contracts. That revenue stream would climb by about \$2 million per year in subsequent years.

Tax committee members expressed concern regarding the upfront lease tax payments. Rep. Tom Rukavina (DFL-Virginia) called the plan a tax shift at best and a tax increase at worst, because individuals would not be eligible for a rebate if they terminated a lease early.

Revenue Commissioner Dan Salomone acknowledged that the measure is a shift and likely would not result in long-term revenue gains. He also addressed the rebate issue, saying a lease termination is something triggered by a taxpayer action and under current law, a lease termination would still require an individual to pay any sales tax associated with the term of the lease.

Nevertheless, the shift caused members concern.

"One of the things that troubles me is that a number of the other one-time shifts can be bought back," said Rep. Ron Abrams (R-Minnetonka), the committee chair, of shifts used to balance the prior budget deficit. "This one is very difficult to buy back."

Lawmakers have until the May 17 constitutional deadline to determine which of Pawlenty's proposals to use in balancing the budget and also to provide alternatives of their own. 

**STAFF WRITERS MIKE COOK AND MARY KAY WATSON**  
CONTRIBUTED TO THIS REPORT.



## Careful balance

### Water management issues in legislative spotlight since statehood

"In my country, whiskey is for drinking and water is for fighting."

Rep. Maxine Penas' (R-Badger) comment drew a chuckle out of House Environment Policy Committee members during a recent hearing about water management. But all kidding aside, the House environment committees have reviewed a number of bills this session relating to disputes over water and drainage rights.

The feuds aren't restricted to Red River Valley country, and the debate is not new to the Legislature.

The federal Swamp Lands Acts of 1850 and 1860 granted 65 million acres of land to western states, including Minnesota. The prevailing attitude of the day was to drain those pesky swamplands, hence the name of the legislation. The state's first Legislature in 1858 passed a law to encourage drainage and develop farmland.

Minnesota would have significantly less valuable cropland without the complex network of drainage tiles and ditches built by state encouragement. Industry, transportation, and construction have benefited from drainage, too, by reclaiming certain lands that might otherwise have been deemed marginal for development purposes.

The state's first comprehensive drainage laws date back to 1883 and 1887. The legislation established a petition process for landowners and granted county boards authority to determine whether creating a ditch was in the public's best interest.

The acts "to enable the owners of lands to drain and reclaim them when the same cannot be done without affecting the lands of others" formed the backbone of a drainage authority system still in place today.

Under the laws, much faith to make accurate on-site decisions was placed with so-called viewers, "consisting of three resident freeholders of the county not interested in the construction of the proposed work and not of kin to any parties interested therein."

These folks assessed the benefits, and ultimately the cost, to landowners of the proposed drainage system. The viewers would submit reports to the county commissioners, with

whom the final decision to establish a ditch rested.

In 1897, a three-member drainage board of commissioners was established by the Legislature. The board was granted the authority over all state drainage ditches, including care, custody, control, and supervision, which incorporated annual inspections and reports to the respective counties in which ditches were located. Under the law, the counties had 60 days after receiving a report to make the appropriate repairs to keep ditches draining efficiently and free from debris. The counties picked up the tab for the repairs.

The state appropriation for the first two years of the board's activities was \$1,000.

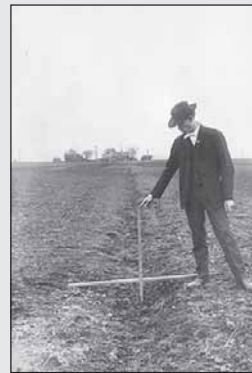
Today, the general responsibility for drainage is vested in counties or joint county authorities, which may grant management powers to watershed districts. The landowner petition process is much like it was 120 years ago with view-

ers and board approval still part of the mix. The Minnesota Board of Soil and Water Resources coordinates county and watershed activities. The board traces its roots back through several incarnations to the original drainage commission.

The most significant changes to the drainage code have occurred in recent decades as lawmakers and drainage authorities have developed a greater understanding of the importance of wetlands to the ecosystem, and public policy has shifted toward conservation. The state's no net loss to wetlands approach under the 1991 Wetland Conservation Act requires more environmental considerations in the drainage petition approval process.

There are several issues facing modern drainage authorities, among them questions over the downstream effects on water quality or quantity, a changing rural landscape as traditional farmland is divided into residential subdivisions, and a lack of knowledge by some newcomers to agricultural areas of the informal system of tile lines running beneath their property.

(N. Wood)



Measuring drainage ditch depth in 1910.

Photo courtesy of the Minnesota Historical Society

## ★ AGRICULTURE

**Restoring Extension services**

The House Agriculture and Rural Development Finance Committee approved a bill March 11 that would attempt to restore county-based University of Minnesota Extension services.

Sponsored by Rep. Al Juhnke (DFL-Willmar), HF2272 would require extension educators and services to be located in the county where services are provided.

The bill, which now moves to the House Higher Education Finance Committee, is a response to the university's January 2004 restructuring of the county extension program. Formerly located in each of the state's 87 counties, extension educators are now in 18 regional centers.

"We had no input whatsoever into extension's regional concept," Juhnke said. "It was top-down. All our county offices are diminished."

Among their duties, extension educators conduct agricultural-based research, provide advice to farm families, and help counties organize youth 4-H programs.

Charles Casey, university extension director and dean, and James Mulder, executive director of the Association of Minnesota Counties, testified in opposition to the bill.

"State resources haven't been used to maintain a county extension office," Casey said. "They (extension offices) are not like they were before, but they are there. They are answering questions."

State funding supports extension faculty at the university's St. Paul campus, who provide information to local areas throughout the state. Moving educators back to county offices "would cut the campus research base," Casey said. "We try to strike a balance now."

Mulder said services are the issue, rather than the county extension structure.

"There is no cookie cutter approach that fixes this," he said. "We were asked by the (2003) Legislature to do more with less. Well, the less is those things that weren't mandated and extension is one of them."

Juhnke said he was willing to "change the bill as it moves along."

A companion bill (SF2710), sponsored by Sen. Jim Vickerman (DFL-Tracy), awaits committee action.

**Responding to more reductions**

The state Department of Agriculture and Board of Animal Health officials said they will try to absorb 3 percent operating budget reductions proposed for fiscal year 2005 without further program cuts.

They discussed Gov. Tim Pawlenty's supplemental budget recommendations March 16 with members of the House Agriculture and Rural Development Finance Committee.

The committee took no action on the governor's proposal to cut about \$500,000 from the department budget and \$84,000 from the board budget.

Potentially offsetting the departmental cuts would be a proposed 10 percent increase in grain fees paid by producers and grain elevator operators, as well as technical adjustments in three other fee-based inspection and certification services.

Combined, the fee increase and changes could provide \$87,000 in revenue.

Several committee members questioned Becky Leschner, department budget director, about potential agriculture program or service cuts. She said the department is looking for "cost savings, not program reductions."

"We don't know what they're saving money on," responded Rep. Al Juhnke (DFL-Willmar). "We won't know until after the fact. I don't know if we've ever done that."

William Hartmann, Board of Animal Health

executive director, said the agency would maintain its core functions, and increase cooperative efforts with federal programs on chronic wasting, mad cow disease, and other potential threats to the state's domestic animals. The diseases "are not causing problems in Minnesota," he said.

Hartmann said he anticipated no layoffs or program cuts.

The governor also proposed a \$200,000 funding boost for protecting plants from "invasive species" such as gypsy moths, ash borers, and other non-native plants, animals, or diseases — byproducts of increased international and interstate trade — that could harm the state's ecosystem.

If approved, the appropriation would allow the department to hire a research scientist, seasonal help to track problem areas, and a public education/information officer.

Bob Fitch, executive director of the Minnesota Nursery and Landscape Association, testified in favor of increased funding for plant protection. "This small investment now will help the state be better prepared," he said.

In 2003, Fitch said seven million ash trees in Michigan urban areas were killed by emerald ash borer, which originated in China. That state spent \$14 million to combat the disease. "Not since Dutch elm disease has our urban forest and related environment faced such dire threats," Fitch said.

**FARMAMERICA**

PHOTO BY TOM OLMSCHEID

Jerry Rutledge, from left, Jim Tippy, and Bill Hoversten, volunteer board members at the Minnesota Agricultural Interpretive Center (Farmamerica) in Waseca, give a presentation to the House Jobs and Economic Development Finance Committee March 16 in hopes of obtaining funds to improve numerous buildings at the center.

## Protecting tile lines

The informal system of agricultural drain tiles that run across property lines has met with development pressures and misunderstandings between city and country cousins in McLeod County and other farming areas, the House Environment and Natural Resources Policy Committee was told March 11.

Tile lines drain surface water from cropland in rural areas. The tiles, which are placed between 4 feet and 6 feet underground, often flow between several farms or parcels of land.

HF2478, sponsored by Rep. Howard Swenson (R-Nicollet), would prohibit landowners from knowingly planting trees over a public or private drain tile used for the drainage of land owned or leased by another person, unless the person planting trees receives permission from everyone who benefits from the drainage system.

The committee approved the measure and sent it to the House floor.

Tile lines have been used in the agricultural community for 60 years to 70 years, said Larry Michaletz, a Lester Prairie agriculture producer. The lines need to drain by gravity, he explained, and tree roots can plug up or destroy the tile.

"With more and more people moving into the countryside, our tile lines are ending up in the backyards next to their houses," said Larry Eide, a McLeod County farmer. "New landowners do not understand how things work in the rural farmland."

Rep. Ray Cox (R-Northfield) asked how the system is currently managed.

"The agreements made with our forefathers have been just verbal," Michaletz said. "Now those lands are being sold off."

It's a legitimate concern, but drainage rights and easements might already be established in current law, said Rep. Dennis Ozment (R-Rosemount).

A Senate companion bill (SF2068), sponsored by Sen. Steve Dille (R-Dassel), awaits committee action.

## Proactive pilot program

One of the recommendations of a 2003 Minnesota Pollution Control Agency feedlot program report to the Legislature was to develop a "proactive component to managing feedlots in harmony with social and environmental considerations."

HF2767, sponsored by Rep. Dennis Ozment (R-Rosemount), aims for this proactive component by helping counties establish environmental protection and a better understanding of agency feedlot rules.

The House Environment and Natural Resources Finance Committee reviewed the

proposal March 16. It will be considered for inclusion in the committee's omnibus finance bill.

The bill would appropriate \$150,000 to the Board of Water and Soil Resources to initiate a pilot program for technical and financial assistance to help counties design an environmental protection framework relative to the establishment or expansion of livestock feedlots.

Under the bill, the participating counties are directed to protect surface and groundwater in accordance with current Minnesota rules, enhance wildlife habitat, and implement University of Minnesota odor offset control measures.

Part of the framework would include the use of maps to help counties and local residents identify with agency feedlot rules in a visual way, Ozment said.

The board would be asked to enlist at least three counties and report back to the Legislature by Dec. 31, 2004.

"It applies sound science to environmental considerations in growing our livestock industry here in Minnesota," said Chris Hanson, lending support for the initiative from the Minnesota Milk Producers Association.

A Senate companion (SF2630), sponsored by Sen. Dallas Sams (DFL-Staples), awaits committee action.

## ★ CHILDREN

### Blocking obscene material

Public libraries that fail to install filtering or blocking software to prevent a person under age 18 from accessing obscene or pornographic material on the Internet could temporarily lose state funding, under a bill that may be considered for inclusion in the omnibus education finance bill.

Sponsored by Rep. Jeff Johnson (R-Plymouth), HF2832 would also require all computers at a school site with Internet access to be equipped with software filtering or blocking technology, else the school would risk losing state funds for its library or computer lab.

The bill was heard March 17 by the House Education Finance Committee following March 11 approval by the education policy committee.

"Most of the libraries in Minnesota have already done this," Johnson said, except large library systems, such as those in Hennepin and Ramsey counties.

Ramsey County's library system hasn't installed software to block Web sites because of budget issues, and the technology's effectiveness, said Matt Anderson, a library board trustee, who opposed the bill in testimony before the education policy committee.

"It's a very practical decision for us, an eco-

nomic decision," Anderson said. "It's easy for people to demagogue on one side or the other on what this means."

Johnson said libraries' software costs, or other means of blocking Web access to objectionable material was "not prohibitive." Withholding state funding "could be if the bill passes," he added.

"This is not a debate about pornography in public libraries, which should be prevented," said Elaine Keefe, a lobbyist for the Minnesota Libraries Association. "The (state) law passed four years ago is working well," she said.

As a condition of receiving federal funding or grants for computer related purchases, public libraries must install pornography filters on all computers with Internet access.

John DeRocker of Plymouth, owner of Nexus Information Systems, testified in support of the bill. He said improving technology has made blocking 98 percent effective, with fewer incidents of legitimate information sites being blocked.

The bill, which has no Senate companion, would also repeal a part of existing state law that excused a school site from purchasing Web site filtering technology if the purchase was more than an incidental expense.

### Searching for relatives

The House Health and Human Services Policy Committee approved a bill March 11 that would require social service agencies to make more comprehensive searches for relatives in child placement cases.

HF2497, sponsored by Rep. Torrey Westrom (R-Elbow Lake), will go next to the House Civil Law Committee. A Senate companion bill (SF2555), sponsored by Sen. Dallas Sams (DFL-Staples) awaits committee action.

Westrom said the current statute is unclear as to what constitutes a "reasonable" relative search. The bill would add the word "comprehensive" and require a search to include both paternal and maternal relatives.

If an agency fails to comply, it would face a reduction in the county's state children and community services grant allocation of up to 5 percent.

Bruce and Sara Boerner from Holmes City said they were not told by Nicollet County that their niece was the subject of a child protection case. After finding out, they have tried to adopt her, but county social workers recommended she be placed with a foster family with whom she lived since June 2003 because they live closer to her biological mother. Parental rights in the case have been terminated.

"If Nicollet County had done a proper relative search none of this would have happened,"



Sara Boerner said. “We qualify by the state standards to have our niece with us. And she should be given the chance to know us”

“Something went awry in this process,” Westrom said.

The committee adopted two amendments, both offered by Rep. Neva Walker (DFL-Mpls), that would give relatives a better chance of being notified and grant them some flexibility in arranging to accept a child into their home.

Rep. Fran Bradley (R-Rochester) expressed concern that a relative could come forward after adoption or permanent custody is granted and use the amendment language as leverage.

“We want to encourage relatives to come forward as soon as possible because that is best for children,” said Erin Sullivan-Sutton, director of child services for the Department of Human Services. The Walker amendment does not compromise that goal, she said, it just means “you don’t hold it against a relative if their circumstances are that they cannot provide care in the first instance.”

### Day care funding

The disparity in rates for child-care services between Greater Minnesota and the Twin Cities metropolitan area is threatening the viability of those services in some communities, according to Rep. Morrie Lanning (R-Moorhead).

Lanning presented a bill (HF2535) to the House Health and Human Services Policy Committee March 11 that would create a grant program to reimburse child-care providers. The committee sent the bill to the House Health and Human Services Finance Committee without recommendation because of uncertainty as to the fiscal effect.

“Many businesses in Greater Minnesota are concerned about the viability of child-care – both in-home and in centers,” Lanning said.

While the state formula for sliding-fee reimbursement for child-care services works well in metropolitan counties, it has had a negative impact on rural counties, according to John Molinaro, vice president for programs of the West Central Initiative Fund in Fergus Falls.

Molinaro said the formula assumes an economic stratification that doesn’t exist in rural counties, where the poorest and wealthiest use the same centers. As a result, rural area child-care providers are locked into “unrealistically low” rates that don’t cover their costs. He said the variance between rural and metropolitan reimbursement rates was as high as 257 percent for centers and 177 percent for in-home care.

Lanning said the intent of his bill is to reduce the gap to help those at the lowest rate.

“If we charged what we need to charge, we’d have to close because no one would come,” said

Tammy Anderson, a Fergus Falls day care provider. “Quality teachers only get \$8 per hour. We’re competing with Burger King and K-Mart. How sad is that?”

Anderson’s child-care center charges \$27 per day. She said the state reimbursement rate dropped from \$27 to \$21. “They didn’t just freeze it — they hacked it,” she said.

Cherie Kotilinek, program administration manager for the Department of Human Services, said the department felt the Legislature’s intent was that they should come up with a 75th percentile cap.

“The intent was to do as little harm as possible,” said Rep. Jim Abeler (R-Anoka). “The Legislature thought they were doing one thing; the department interpreted it a different way.”

“We’re losing centers; we’re losing capacity,” Molinaro said. “People have had to scramble to find day care or drop out of the workforce.”

A companion bill (SF2490), sponsored by Sen. Carrie Ruud (R-Breezy Point), awaits a hearing in the Senate.

## ★ CONSUMERS

### Credit card issuance

The House Commerce, Jobs, and Economic Development Policy Committee considered a bill March 17 that would prohibit financial institutions from issuing financial transaction cards, including credit cards, in a person’s name without the express permission of that person.

HF960, sponsored by Rep. Neva Walker (DFL-Mpls), will be considered for possible inclusion in the committee’s omnibus bill.

“I believe a credit card should only be issued to a person with that person’s permission,” said Russell Erickson, a Minneapolis resident. “I consider my name to be my personal property.”

Erickson related the difficulties he had removing his name from a credit card account that he had not authorized. The issuing company required him to “jump through a lot of hoops” and insisted that he was equally as liable as the other person on the account even though he had never asked for the card, never used it, and did not want it.

Joe Witt, chief executive officer of the Minnesota Banker’s Association, which opposes the measure, said there are situations when people want to be authorized signers, for example, when they don’t qualify for credit on their own, such as college students.

“Federal law is clear that if you are an authorized signer on a card, you are not liable for the debt,” he said.

Rep. Jim Davnie (DFL-Mpls) successfully offered an amendment that would require educational institutions to provide students with an opportunity to opt out of having their names on lists sold or given to credit card issuers.

“I think we recognize that a lot of students are leaving college with a lot of debt,” Davnie said. “Some of that is student loans, but often there’s a lot of credit card debt.”

Pat Martyn, a lobbyist for MBNA, said the

## RESTORATION REQUEST



PHOTO BY TOM OLMSCHIED

Surrounded by people with signs, members of the Welfare Rights Committee hold a press conference March 15 outside the governor’s office to call on the Legislature and governor to undo cuts to the Minnesota Family Investment Program and to families living in subsidized housing.

company is in “severe disagreement” that credit cards issued to students cause bankruptcy. “Students have an overwhelming need for a substitute for cash,” he said.

“I don’t see how anyone can argue that what Rep. Walker is trying to do is common sense,” said Rep. Tom Rukavina (DFL-Virginia).

A Senate companion bill (SF83), sponsored by Sen. Linda Berglin (DFL-Mpls), awaits action in the Senate Commerce and Utilities Committee.

## ★ CRIME

### **Methamphetamine bill advances**

A bill that would address a number of public safety, health, and enforcement concerns regarding the manufacture of the potent drug methamphetamine was approved by the House Civil Law Committee March 12.

The committee considered several amendments relating to the bill’s requirements to report methamphetamine-related activities associated with a property or a vehicle, restitution requirements for rental properties, and limits on the sale of over-the-counter medications used to manufacture the drug.

Substantially, the bill (HF1989), sponsored by Rep. Doug Fuller (R-Bemidji), would institute a two-year mandatory minimum prison sentence for a first offense of possessing substances with intent to manufacture methamphetamine. In addition, it would raise maximum penalties for methamphetamine offenses, and it would require that certain officials be notified of manufacturing activities at a property.

Cleanup funds and other remediation activities would also be provided in the bill.

One amendment would remove the requirement that a property contaminated by methamphetamine manufacturing must report that on the property’s deed. Fuller testified that the requirement would create unnecessary clutter on the actual deed. Instead, he said, the association of realtors is amenable to modifying the seller’s real estate disclosure form to include methamphetamine-related activities.

Under current law, homeowners are required by law to disclose items on the form.

Another amendment would require that a registration authority, such as the Department of Public Safety’s division of driver and vehicle services, have the opportunity to place a notation on the vehicle title before a defendant is able to get his or her vehicle back.

A third amendment would clarify that both local governments and rental property owners could receive court-ordered restitution when an emergency response is required due

to methamphetamine manufacturing. It would also clarify that local governments includes all local units, not just counties.

A final amendment would preclude any local governments from adopting ordinances governing the sale of over-the-counter products containing ephedrine or pseudoephedrine different from the state law provisions. Bruce Anderson, a lobbyist for the Minnesota Retailers Association, testified that a number of retailers have locations across the state but have one central point-of-sale operation. To allow for different communities to have different ordinances would place a burden on the system, he said.

The bill now moves to the House Judiciary Policy and Finance Committee. Its Senate companion (SF1580), sponsored by Sen. Julie Rosen (R-Fairmont), awaits committee action.

### **Paying for CriMNet**

An integrated criminal database that law enforcement officials believe would help nab criminals would be mandated statewide, and paid for through local government participation fees and revenue bonds, under a bill heard March 17.

Sponsored by Rep. Steve Strachan (R-Farmington), HF2282 lays out the funding mechanisms for what is referred to as CriMNet, a system the state has been developing since 1999. CriMNet will eventually allow public safety and criminal justice agencies across the state to access information about offenders and defendants.

Because the system is not fully developed, Chaska police officers can’t immediately access Hibbing criminal records unless the particular document has already been submitted to the state, explained Sen. Julianne Ortman (R-Chanhassen), who is sponsoring the Senate companion bill.

“We want to see CrimNet fully implemented statewide,” Ortman told the House Judiciary Policy and Finance Committee.

HF2282 calls for developing an implementation plan by Dec. 31, 2005 and making the system fully functional by Dec. 31, 2009.

The bill would authorize the state to issue revenue bonds for the system and have the debt service paid by local government per-capita participation fees ranging from \$2,000 to \$25,000. The fees would be paid automatically through deductions from the local government aid the state pays to cities and counties.

Ortman, who has gained support for the bill from several law enforcement agencies, said she offered the unique funding method because neither the state nor local government units can fund the system alone.

However, the bill would leave the final funding mechanism to the Criminal and Juvenile Justice Information Policy Group and its advisory task force. Revenue bonds would not be sold unless the group requests that the state do so.

Rep. Doug Fuller (R-Bemidji) expressed concern that issuing revenue bonds as opposed to capital bonds would eliminate ongoing legislative oversight. However, nonpartisan House Research staff said capital bonds cannot be used to fund CriMNet.

Rep. Michael Paymar (DFL-St. Paul) said it could be a “potential nightmare” deciding participation fees for each city and county.

The bill will be considered for inclusion in the committee omnibus bill. Its Senate companion bill (SF2079) awaits committee action.

## ★ DEVELOPMENT

### **No competitive bidding**

A proposed multi-use bus public transit facility and private development that may include housing would be built in downtown Minneapolis without having to go through the competitive bidding process, under a bill approved March 16 by the House Transportation Finance Committee.

HF2492, sponsored by Rep. Margaret Anderson Kelliher (DFL-Mpls), was inspired by one component of the Nicollet Hotel Block project, bounded by Third Street South, Washington and Hennepin avenues, and the Nicollet Mall. The property is owned by the city, which envisions a multi-use facility, including a transit layover facility for 26 buses and possible housing units above the structure.

Buses would use the facility when it is necessary to wait before embarking on new runs, Kelliher said. Passengers could also board buses at the location.

Typically, housing and redevelopment authorities are required to solicit competitive bids when projects exceed \$50,000. Under current law, however, an exception can be granted for housing and redevelopment authorities constructing structured parking facilities in conjunction with a development if the project is financed with tax-increment financing or parking ramp bonds.

The bill would extend the exemption to transit facilities.

Kelliher said the exemption is necessary to provide flexibility to potential developers of the Nicollet Hotel Block project. As it now stands, one developer could be awarded the transit facility bid while another is awarded the housing development project, leaving neither a say about the separate but integrated



components. The bill would allow the city to solicit bids on the project as a whole through the request-for-proposals process.

Lee Sheehey, executive director of the Minneapolis Community Development Agency, said the facility would improve traffic movement downtown. Buses, some of which now wait on the street, could wait at the layover facility.

The facility may include parking for the housing development but may not include public parking, Sheehey said in response to a question by Rep. Torrey Westrom (R-Elbow Lake) about downtown parking problems. Several other parking facilities are scheduled to be available soon in the downtown area, added Kelliher.

The bill now moves to the House floor. Its Senate companion (SF2386), sponsored by Sen. D. Scott Dibble (DFL-Mpls), awaits action on the Senate floor.

## ★ EDUCATION

### Staff development

Professional development programs for teachers would become more focused on a particular school's needs, under a bill heard March 15 by the House Education Finance Committee.

Sponsored by Rep. Alice Seagren

(R-Bloomington), HF2860 would bring state requirements for teacher professional development in line with those of the federal No Child Left Behind Act.

The committee will consider the bill, which also includes a number of technical and language changes in K-12 education law, for inclusion in its omnibus bill.

The proposal would require a "results-driven staff development plan" that fosters "quality teaching and student achievement," including addressing achievement gaps among different student groups.

The federal law's staff development criteria, which the bill proposes that the state follow, is "strong," said Greg Marcus, government relations director for the Department of Education. "Like a lot of legislation, there are good things and bad things in No Child Left Behind."

Marcus said the bill would require school district staff development committees "to look at weaknesses of a school before planning to spend money" on teacher and staff development.

An annual report on both the district and school site staff development plans would be required by the Education Department. Under existing law, districts file such reports, but specific schools do not.

In addition, the bill would require a school district to reserve at least 2 percent annually of its basic general education revenue for staff development programs.

A similar requirement in state law was waived for the 2004-05 biennium by the 2003 Legislature in order to provide districts with some flexibility on spending decisions.

Rep. Jim Abeler (R-Anoka) said local school officials like "the freedom to use that 2 percent as they see fit. Why would we presuppose that we would know better?"

Seagren said the bill would not change a district's ability to waive the 2 percent staff development spending requirement, or spend more, provided teachers serving on district advisory staff development committees agree.

Those committees, as well as site staff development committees, must include a majority of teachers, according to the bill.

The bill's companion (SF2638), sponsored by Sen. LeRoy Stumpf (DFL-Thief River Falls), awaits committee action.

### Promoting abstinence

For the third consecutive year, a bill that would require public schools to teach abstinence until marriage in sex education classes is headed to the House floor.

The House Education Policy Committee March 11 approved HF580, sponsored by Rep. Sondra Erickson (R-Princeton).

The bill was included in the House 2003 omnibus education finance bill, but was removed in a conference committee.

Under House rules, the bill returned to the committee at the end of the session.

The bill is "taking nothing away from present law," Erickson said.

It would require a school district that provides health education on prevention of sexually transmitted diseases to also provide students with curriculum and instruction in sexual abstinence premised on risk avoidance.

A motion by Rep. Lyndon Carlson (DFL-Crystal) to refer the bill to the House Education Finance Committee to consider school district implementation costs was defeated.

The bill would not cost schools more, said Rep. Barb Sykora (R-Excelsior), the committee chair. "There are a number of (abstinence) curriculums available that add to what is the course of instruction in sex education now," she said. "This says abstinence can be a part of it."

A companion bill (SF747), sponsored by Sen. Betsy Wergin (R-Princeton), awaits committee action.

### Paying to ride

Charging students a trial school bus fee would become a district option under a bill heard March 11 by the House Education Finance Committee.

## CRIMINAL TRANSFER



PHOTO BY TOM OLMSCHIED

St. Louis County Sheriff's Deputy Charles Berquist, left, holds a series of newspaper pictures to show the House Capital Investment Committee March 16 how a prisoner has to be unloaded from a department transport van in an unsecured location when a prisoner is taken to court. He and Tony Mancuso, right, director of property management for St. Louis County, were testifying in support of a bill that would establish a county-state partnership to fund capital improvements to county buildings.

Sponsored by Rep. Peter Adolphson (R-Minnetonka), HF2204 would waive a state prohibition on school transportation fees for three years beginning July 1, 2004.

The committee will consider the bill for inclusion in its education finance omnibus bill.

State law requires school districts to provide free transportation to any pupil who lives more than two miles from school, provided the bus ride is to a school in the student's attendance area.

Adolphson's bill is modeled after a transportation fee program the Eden Prairie School District has tried for two years to counter budget cuts.

Because of the state law, the district could only charge a transportation fee to students who live less than two miles from a school. That created an inequity between families charged for transportation and those not charged.

"We're trying to find a way to save money," said Sen. David Hann (R-Eden Prairie). "Assessing a fee equally among all is the intent of the bill." Hann sponsors the Senate companion (SF2107), which awaits committee action.

Patricia Magnuson, executive director of business services for Eden Prairie schools, said the transportation fee has been "relatively successful," but added, "Inequity has been a big issue."

She said free rides are provided to all kindergarten and special education students, plus those students whose families meet school-defined poverty guidelines.

Superintendent Melissa Krull said the district began charging the fee for the 2002-03 school year to raise \$430,000 toward budget balancing. The initial fee was \$190 and was reduced by \$15 for the 2003-04 school year.

Several DFL representatives criticized the trial fee proposal.

"Fees are basically user taxes," said Rep. Kent Eken (DFL-Twin Valley). "Are we going to have book fees next?"

The bill would prohibit districts from denying free transportation to students unable to pay and would require fees to be applied equally to public and non-public students transported within the district.

A district could require fees for students transported to charter schools or to alternative attendance programs, under the bill.

### Mental health screening

A bill that would provide optional mental health screening for public school students with a pattern of disciplinary suspensions was approved by the House Education Policy Committee March 11.

Sponsored by Rep. Alice Seagren (R-Bloomington), HF2503 would require a school district's discipline policy to include a procedure for mental health screening for a student

suspended from school for 10 days, either consecutively or cumulatively, within the school year.

The bill moves next to the House floor.

"The parent is in control of this situation," Seagren said. "The parent can say no, but it's raising the issue to the parent."

The initial procedure anticipated in the bill would be a "checklist, not an onerous document," Seagren said. "It's to find out if there could be some other things going on here."

"Acting out and aggression can be symptoms" of mental illness, said Sue Abderholden, executive director of the Minnesota branch of the National Alliance for Mental Health, who testified in support of the bill.

In a written statement, the Student Services Coalition for Effective Education, a statewide group of health and school counseling professionals, also supported the bill.

"We feel that early screening and identification is a proactive approach to prevention. Early intervention is cost effective in reducing more severe problems in the future."

Rep. Rob Eastlund (R-Isanti) asked whether

creating "another classification of students" was necessary. Children's lives are complex, he said. "Doesn't this just happen? We keep slicing the cake thinner and thinner."

"We haven't been doing a very good job" of recognizing mental illness in society, Seagren said.

A companion bill (SF2605), sponsored by Sen. Jane Ranum (DFL-Mpls), awaits committee action.

### Pay increase

School board members that are also employed by the district they represent would be allowed to earn \$3,000 more in income, under a bill heard March 11 by the House Education Finance Committee.

Sponsored by Rep. Bud Nornes (R-Fergus Falls), HF2099 would increase from \$5,000 to \$8,000 per fiscal year the maximum allowable amount of a contract between a school board member and the district. The income restriction has not been increased in 12 years, he said.

The bill will be considered for inclusion in the education finance omnibus bill.

Grace Schwab, director of government relations for the Minnesota School Boards Association, said the bill primarily applies to rural school districts where a retired teacher could be a school board member, and also be employed by the district as a substitute teacher.

Substitute bus drivers, part-time library aides, and part-time coaches are other types of jobs a board member could be hired for by a school district, Schwab said.

"This is a big issue in rural districts," she said, where there are fewer candidates for teaching, coaching, and some education-related staff positions.

A board majority must approve the district hire of a school board member.

Asked by Rep. Mark Buesgens (R-Jordan) if board members employed by the district abstain from employment-related votes, Schwab said, "Board members are sensitive to how the public views them."

A companion bill (SF2115), sponsored by Sen. David Tomassoni (DFL-Chisholm), awaits committee action.

### Determining transition revenue

A bill that would change the way the state calculates an education revenue fund could result in \$3.5 million for Greater Minnesota school districts, as well as districts bordering Minneapolis and St. Paul.

Sponsored by Rep. Connie Bernardy (DFL-Fridley), HF2169, heard by the House Education Finance Committee March 16, would retroactively increase state transition revenue

### UNIFORM GRADES



PHOTO BY TOM OLMSCHIED

Grant Johnson, a senior at Burnsville High School, testifies before the House Education Policy Committee March 11 for a bill that would establish a task force to establish a policy for a uniform statewide public school grading scale.

for more than 200 school districts. The bill would be effective for fiscal year 2004, which ends June 30, 2004.

The committee will consider the proposal for inclusion in its omnibus bill.

"The state budget was balanced on the backs of rural and inner-ring suburban districts," Bernardy said. "We have the stock market education budget now."

Many rural and inner-ring suburban districts lost a disproportionate share of unrestricted classroom funding under the current state budget, Bernardy said. The cut from one state revenue stream was not made up through transition funding, she said.

One-time transition revenue for the 2004-05 biennium was intended to hold school district classroom budgets harmless from changes enacted by the 2003 Legislature in a number of school aid funding formulas.

The shortage of transition revenue particularly affected those districts that had increased numbers of low-income students — defined as those eligible for free or reduced price school lunches — between fiscal years 2003 and 2004.

Schools receive compensatory revenue from the state, based on a head count of low-income students. Many districts didn't receive a transition revenue match for the increase in compensatory revenue they expected for fiscal year 2004, Bernardy said.

The bill would modify the way the state treats compensatory revenue in its calculation for how much transition revenue a district receives.

Amounts districts would receive if the bill became law would vary from about \$2,000 to \$341,000. Such funds would need to come from the general fund.

Wendy Thompson, a parent in the Bemidji school district, testified in support of the bill. "Districts can't afford to lose money due to funding glitches like this," she said.

Because Bemidji had increased numbers of "poverty" students, "that should not mean we lose unrestricted classroom funds," Thompson said.

The bill's companion (SF2924), sponsored by Sen. Linda Scheid (DFL-Brooklyn Park), awaits committee action.

### **Funding community education**

Community education programs for youth and adults would receive more funding in fiscal year 2005, under a bill heard March 17 by the House Education Finance Committee.

Sponsored by Rep. Barb Sykora (R-Excelsior), HF1982 would restore \$3.6 million in basic community education funding, with about \$2.4 million coming from the local property tax levy. About 90 percent of

community education revenue is from the local levy.

The committee will consider including the proposal in its omnibus bill.

"This would restore the community education levy taken away last year," Sykora said, referring to the 2003 Legislature's cut of 72 cents from a per capita formula used to determine state funding.

The bill would return the formula to \$5.95 per capita. A state appropriation of slightly more than \$1 million would fund the restored formula.

Sykora said restoring the per capita formula was important because most community education programs work in partnerships with community groups and local governments. "The money is leveraged at about a 4-1 ratio," she said. "One state dollar generates an additional \$4 from partners."

Steve Kerr, community education director for the Anoka-Hennepin School District, testified in support of the bill.

Early Childhood and Family Education and Adult Basic Education programs were among those affected by community education cuts, Kerr said.

For example, he said a youth program supported by community education funds and local communities had 7,000 fewer participants due to funding reductions.

"Community education may be the only option in many communities for (student) after-school activities," Kerr said.

Doug Spray, Montivideo public schools community education director and a representative of the Minnesota Community Education Association, said programs across the state raised fees, cut staff, or did both in response to state cuts.

A companion bill (SF2003), sponsored by Sen. Linda Scheid (DFL-Brooklyn Park), awaits committee action.

### **Holding students back**

A policy to end grade promotion of public and charter elementary school students under certain circumstances may be included in the House Education Finance Committee's omnibus bill.

Committee members March 17 reviewed the details of HF2285, sponsored by Rep. Lynn Wardlow (R-Eagan), which would address so-called "social promotion" of students. Schools "must consider" but would not be required to follow the policy outlined in the bill.

"A lot of districts are doing this already," Wardlow said, referring to school retention programs that offer failing students more individual attention, smaller classes, and

different learning environments. "This puts some teeth" in state law, he said.

Under the bill, public and charter schools must consider retaining a kindergarten through sixth grade student without promotion to the next grade when the student has been absent more than 20 percent of class time, tested below his or her grade level on state or district assessments, and failed to master academic skills needed to succeed to the next grade.

Students must meet all three criteria before the school could consider holding them back, Wardlow said.

The bill would also encourage districts to offer "differentiated instruction" for retained students. Such instruction allows teachers to blend group and individual instruction methods to meet the student's needs.

Special education students would be exempt under the bill, which would take effect with the 2005-06 school year.

Parents would have 20 days to appeal a school's decision of not promoting children to the next grade.

"Most districts are doing this, so what's the point of the legislation?" asked Rep. Jim Davnie (DFL-Mpls).

Wardlow said the proposed policy could be cited by a school principal to defend a student retention decision.

"A lot of principals are afraid of the parent pressure and lawsuits," he said "This does force a discussion between the parent and student on retention."

The bill's companion (SF2288), sponsored by Sen. Mike McGinn (R-Eagan), awaits committee action.

## **ELECTIONS**



### **Voting rights for felons**

Convicted felons on supervised release would be able to cast their vote under a bill approved by the House Governmental Operations and Veterans Affairs Policy Committee March 12.

Rep. Keith Ellison (DFL-Mpls), the sponsor of HF227, said it would bring "more citizens into the realm of participation in our democracy."

The bill now goes to the House floor.

Ellison said a felon cannot now exercise their right to vote until completing all probation, parole, or supervised release time.

An example the bill hopes to rectify, Ellison said is when a parolee could be under supervision for 10 years, and in addition to not having the right to vote after serving time, many felons don't know when they are once again eligible to vote.



By changing the process, there would be less confusion for felons, as well as cities and counties that sometimes struggle to keep law enforcement information organized, he said.

Peter McLaughlin, Hennepin County commissioner, said a major concern for the county is the disenfranchisement for African American men in the community. Data showed that 52 percent of people whose felony sentences expired between 2000 and 2002 were African American, and of the felons whose sentences expired in 2000, 79 percent were not registered to vote.

The change would "assist in the responsibility of citizenship" and could be a key element in reintroducing felons back into communities, McLaughlin added.

Rep. Sheldon Johnson (DFL-St. Paul), noting his work in corrections and as a parole officer, said a "sense of ownership" for a felon to their community via the voting process would be beneficial for those being released.

A companion measure (SF309), sponsored by Sen. Linda Higgins (DFL-Mpls), awaits action in the Senate Elections Committee.

### Student voting

Students eligible to vote would be able to leave school to exercise that right, under a bill approved by the House Governmental Operations and Veterans Affairs Policy Committee March 12.

Rep. John Lesch (DFL-St. Paul), a co-sponsor of HF2593, said the bill would give students the same rights as those given to employees in a work setting. He presented the bill on behalf of Rep. Katie Sieben (DFL-Newport), the bill's chief sponsor.

Current law states: "Every employee who is eligible to vote in an election has the right to be absent from work for the purpose of voting during the morning of the day of that election, without penalty or deduction from salary or wages because of the absence." Also, "an employer or other person may not directly or indirectly refuse, abridge, or interfere with this right or any other election right of an employee."

Lesch said 37 percent of voters between ages 18 and 24 participated in the last state general election, and the bill would not benefit one political party over another.

Rep. Bill Haas (R-Champlin) questioned what would be required for a student to miss classes, such as a note from an election judge to qualify for an excused absence.

Lesch said members of the House Education Finance Committee, where the bill goes next, would address the means by which a student would be granted permission to leave.

A companion bill, SF2782, sponsored by

Sen. Dan Sparks (DFL-Austin), awaits action in the Senate Elections Committee.

### Phone survey penalties

A person conducting a phone survey on behalf of a candidate running for office or any political subdivision could soon be held liable for not giving certain information to a survey participant.

Under HF1437, the name, address, and telephone number of the person who retained the pollster and whether the survey is being conducted with the consent or cooperation of any candidate mentioned must be revealed during the conversation, upon request.

If a person refuses to give the information, that individual or the organization conducting the poll could be charged with a misdemeanor.

Rep. Tony Cornish (R-Good Thunder), the bill sponsor, told the House Governmental Operations and Veterans Affairs Policy Committee March 15 that when he was running for office he received a disturbing phone call.

He said a "college-aged student," not knowing she'd reached the candidate the survey was targeting, asked Cornish misleading questions. He explained the questions and answers could have led a constituent to believe untrue political beliefs about him.

Becoming angry, he asked the caller to give him the name of the company conducting the survey, her name, or that of a supervisor, none of which were given. In the end, the caller hung up on him.

The bill was approved and now moves to the House floor.

A companion (SF1373), sponsored by Sen. Julie Rosen (R-Fairmont), awaits action on the Senate floor.

### No alternative voting plan

A bill that would give one city the option of using an alternative voting system in an upcoming election failed to pass the House floor March 15.

Sponsored by Rep. Jim Rhodes (R-St. Louis Park) and Sen. John Marty (DFL-Roseville), HF1719/SF1613\* failed 54-78. It passed the Senate 38-26 Feb. 23.

Rhodes said that if more than two candidates were to run in an April 20 city council special election, the city of Roseville had requested a one-time sanction to use a different ballot system. All five candidates involved in the upcoming special election have signed a document in support of the one-time action, Rhodes said on the House floor.

The bill would allow the city to adopt cu-

mulative voting, ranked-order voting, or another method that differs from current state statute.

Rep. Mindy Greiling (DFL-Roseville) said the bill initially would have been for the whole state but was condensed to just one city. "We'd like to try this in our election where we have five candidates," she said, adding that the city council unanimously passed a resolution supporting this bill.

The city, under the bill, would be required to report on its experience to the House Governmental Operations and Veterans Affairs Policy Committee and the Senate Elections Committee within 30 days after the opening of the first legislative session following the city's first use of the alternative voting method.

## ★ EMPLOYMENT

### Workers' compensation changes

The House Health and Human Services Policy Committee approved a negotiated bill for workers' compensation March 17 and sent it to the House Judiciary Policy and Finance Committee.

HF2915, sponsored by Rep. Jeff Johnson (R-Plymouth), is the result of two years of work on the part of the Workers' Compensation Advisory Council, which is made up of representatives from business, labor, and the Legislature.

The bill is "a delicate compromise," Johnson said. "There are provisions that one side or the other doesn't like very much, and other provisions they really want. If you remove a provision, it all falls apart."

The committee limited its discussion to the health-related portions of the bill.

Provisions in the bill include:

- an injury or illness resulting from a vaccine required for an employee's job, as a result of a federal declaration under the Public Health Service Act, would be compensable;
- if an in-network pharmacy is not within 15 miles of an employee's work or home, the employee would be allowed to receive services from a closer pharmacy and still get reimbursed;
- an exemption from paying for workers' compensation coverage would be allowed for members of certain religious groups, the Amish and Mennonites, whose beliefs prohibit receiving those benefits;
- permission would be granted to certified managed care plans to offer discounted provider fees; and
- rules for health care provider standards of care would be based on an analysis of medical evidence and accepted standards of medical practice.

Judy Hawley, representing the Minnesota Chapter of the American Physical Therapy Association, said the association was opposed to provisions allowing discounted provider fees and the change in language regarding standards of care.

"Our return to work policies are working," Hawley said. "Minnesota workers' compensation costs 44 percent less than a decade ago as a percent of wages."

Rep. Jim Abeler (R-Anoka) offered an amendment to strike the section that would allow discounted fees but withdrew it after committee discussion saying, "I'll do my best to respect the balance of interests."

Calling the bill a "house of cards," Rep. Joe Opatz (DFL-St. Cloud) said: "If we start to tinker with it, then everyone will want to tinker."

Johnson said if the bill were modified in committee he would have to take it back to the council before going on with it.

"I would hate to see us do anything that would stop this legislation," said Rep. Bud Nornes (R-Fergus Falls).

A companion bill, SF2844, sponsored by Sen. Thomas Bakk (DFL-Cook) awaits committee action.

## ★ ENERGY

### Waiving PCA fees for PCBs

Polychlorinated biphenyls (PCBs) are a class of man-made compounds that, up until serious health and environmental concerns arose in the 1970s, were commonly used as insulators in electrical equipment.

PCBs are still sometimes found today in the oil that is placed in transformers and other electric utility equipment that has not reached the end of its service life, an average of 30 years, according to industry estimates.

When the equipment does reach the end of the line, the industry pays hazardous waste generator fees to the Pollution Control Agency for disposal.

Now the industry is advocating for what one utility representative describes as a proactive way to voluntarily remove from service the remaining equipment that contains PCBs.

HF2500, sponsored by Rep. Dean Simpson (R-New York Mills), would waive state hazardous waste fees on PCB waste associated with oil-filled electronic equipment voluntarily disposed of or retro-filled prior to the end of its service life.

Under the bill, waste generators and the Pollution Control Agency would have to execute a voluntary PCB phase-out agreement containing specific goals and a schedule for implementation.

The House Environment and Natural Resources Policy Committee approved the measure March 11. It now moves to the House floor.

The cost of compliance with double federal and state requirements provides a disincentive for the industry to get rid of the equipment in advance, said Mark Gerlach, environmental analyst for Xcel Energy.

The bill would not waive emergency fees or the fees on equipment being taken out of service at the end of its normal life span, he said.

A Senate companion bill (SF2422), sponsored by Sen. John Marty (DFL-Roseville), awaits committee action.

## ★ ENVIRONMENT

### Extending shoreland protection

Since 2002, the Board of Soil and Water Resources has awarded grants to soil and water conservation districts and other local units of government to acquire conservation easements along the shores of environmentally sensitive rivers and lakes.

However, the shoreland protection program is set to sunset June 30, 2004.

HF2855, sponsored by Rep. Larry Howes (R-Walker), would extend the life of the program through June 30, 2008.

The House Environment and Natural Resources Policy Committee approved the measure March 16. It now moves to the House Environment and Natural Resources Finance Committee.

An amendment successfully offered by Rep. Dennis Ozment (R-Rosemount) would grant the Department of Natural Resources additional management discretion in dealing with situations where several lakes with functioning outlets drain into a body of water without an outlet. Currently, department rules prohibit the waters division staff from modifying the elevations of lakes with properly functioning outlets.

The department has dealt with this management problem in Dakota County, Ozment said.

Under the bill, the established control levels of the lake could be changed only if the modification is in the public interest, causes minimal environmental impact, and all of the property abutting the ordinary high water mark of the lake is in public ownership or the public entity has obtained permanent flowage easements.

A city, county, watershed district, or lake improvement district would have to be notified of the work in advance. They would have 30 days to object, under the bill.

The Senate companion bill (SF2814), sponsored by Sen. Carrie Ruud (R-Breezy Point), awaits committee action.

## Scrutinizing soil science

The House Environment and Natural Resources Policy Committee received a brief soil science primer March 16.

The word of the day was redoximorphic, referring to a feature formed in saturated soil by iron and manganese oxidation and other chemical processes. The features, often identified by gray mottled soil, indicate the level of the water table or presence of water at one time.

Under current Pollution Control Agency rules for individual sewage treatment system design, the presence of redoximorphic features could eliminate for homeowners the possibility of installing a trench system and require a more expensive mound system.

HF2000, sponsored by Rep. Kathy Tinglestad (R-Andover), would modify agency rules for water table analysis to require designers and inspectors to consider whether the features are no longer representative of the current situation in the state's sand plain areas as identified by Minnesota geological survey mappings.

Under the bill, a minimum of three borings per system would be required to fail an existing system for not being far enough from groundwater. If two inspectors disagree on the findings, a soil pit or pits would be dug to make a final determination.

Proponents include homeowners who dispute the necessity of a mound system on their properties and University of Minnesota researchers who said that various soil characteristics could be misidentified when only one sample is drilled or regional geographical characteristics are not considered.

Robert Rocheleau, a Young America homeowner, told the committee that the presence of a redoximorphic feature indicated his property was too shallow for a trench system. The cost differential was \$5,000 to \$6,000 for a trench system and \$10,000 to \$12,000 for a mound system, he said.

"Nobody can really tell me how long the (redoximorphic) feature has really been there – whether it's 10 years, 100 years, or 1,000 years," Rocheleau said.

Julie Rocheleau said they have a dry basement and soil monitoring devices have not indicated any water.

"I'm convinced by the science that we would not be polluting with a trench system," she said.

Rep. Jean Wagenius (DFL-Mpls) said she recognized the need to revise the rules, but cautioned against eliminating protective language for lakeshores, rivers, and streams.

The committee approved the measure and sent it to the House floor. A Senate companion bill (SF1900), sponsored by Sen. Michael Jungbauer (R-East Bethel), awaits action on the Senate floor.

## Fixed forestry fund

In response to job losses in Minnesota's forestry sector, Gov. Tim Pawlenty convened an advisory task force in 2003 to examine the state's forest industry competitiveness. Two recommendations from its report include increasing wood and fiber availability and quality on private and public lands while maintaining environmental protection and increasing investments directed at improving private, county, and state forest health and productivity.

HF2660, sponsored by Rep. Larry Howes (R-Walker), would create a forest management investment fund in the state treasury. Timber sale receipts from certain lands administered by the Department of Natural Resources Division of Forestry would be earmarked for the fund and rededicated to forestry efforts. This would not include school trust fund lands.

The House Environment and Natural Resources Finance Committee reviewed the measure March 17 and will consider it for possible inclusion in an omnibus finance bill.

On the recommendations of the forest advisory task force, the proposal would provide additional funding to put more people in the woods to do forestry work, said Bob Tomlinson, forestry division assistant director. The fund would provide a minimal level of stability for funding basic forest management, he said, and it would allow the department to carry balances between legislative funding cycles, which is necessary due to the seasonal nature of the activities.

Proponents include conservation groups and the industry, which said supporting forest management is good for wildlife habitat and jobs.

However, fiscal experts caution against dedicated funds, said Rep. Phyllis Kahn (DFL-Mpls).

You can do everything a dedicated fund can do with honest budgeting from the general fund, she said. "The administration is saying, 'Tie my hands and keep me from cheating.'"

A Senate companion bill (SF2317), sponsored by Sen. Thomas Bakk (DFL-Cook), awaits committee action.

## FAMILY

### Healthy marriage initiative

A comprehensive strategy for promoting marriage and responsible fatherhood among unmarried parents in Minneapolis and St. Paul would be developed, under a bill approved March 16 by the House Civil Law Committee.

HF2641, sponsored by Rep. Elaine Harder (R-Jackson), directs the Department of

Human Services to develop and implement an initiative to do six things:

- encourage stable family formation among unmarried new parents in urban communities,
- promote healthy marriages among unmarried new parents who want to be a couple and indicate that marriage is a goal for their relationship,
- increase paternity establishment and enhance related child support performance,
- promote responsible fathering,
- enhance the well-being of children, and
- encourage and facilitate community support for marriage and family formation among unmarried parents.

A growing body of research indicates that children do best in a home with two parents who are married to one another, Harder said. Twenty-six percent of the babies born in Minnesota in 2001 were born to unmarried parents, she added.

However, the program would be voluntary. "No one would be coerced into this," Harder said.

The program would be funded through federal grants, state appropriations, and in-kind services, and would involve personnel from the University of Minnesota's Extension Office. Harder said the Minnesota program is in response to a federal initiative to appropriate \$1.5 billion for the promotion of marriage among low-income people and to sustain healthy marriage.

The bill would appropriate \$100,000 to the Department of Human Services to serve as matching funds for federal appropriations.

The marriage license fee disposition would also be changed under the bill, allowing counties to keep \$20 rather than \$15, and requiring the local registrar to pay \$60 to the state rather than the current \$65. Of this amount, \$40 rather than the current \$50 would be placed in the state general fund, and \$5 would be allocated for the Healthy Marriage Initiative.

No one testified on the bill and legislators asked few questions of it. It now moves to the House Health and Human Services Finance Committee.

A companion bill (SF1841), sponsored by Sen. Steve Dille (R-Dassel), awaits action in a second committee.

## GAMBLING

### More gaming options

Minnesotans could have another gaming option that looks a lot like a pulltab, but isn't, under a bill approved March 12 by the House Governmental Operations and Veterans Affairs Policy Committee.

What "looks and smells like a pull tab," said Tom Barrett, executive director of the

Minnesota Gambling Control Board, could be a promotional ticket.

Sponsored by Rep. Carl Jacobson (R-Vadnais Heights), HF2521 adds promotional tickets to the list of gambling equipment authorized by law. Others currently in statute include: bingo hard cards or paper sheets, linked bingo paper sheets, devices for selecting bingo numbers, pull tabs, jar tickets, paddlewheels, tipboards.

As defined in the bill, a promotional ticket is a "multi-play ticket designed and manufactured to resemble a pull-tab or tipboard ticket with the words 'no purchase necessary' and 'for promotional use only.'" Promotional tickets also require the redemption of a prize or other thing of value by submitting a request through the U.S. mail, electronically, or by another means.

The bill would also raise the total prizes awarded at a bingo occasion from \$2,500 to \$2,800, and a cover-all game from \$3,500 to \$3,800. Those for a single game remain the same.

A bill that already received House approval Feb. 16 was amended onto the proposal.

Rep. Marty Seifert (R-Marshall) said he attached HF1835 to the Gambling Control Board's changes because of strategic moves in the Senate to avoid passing bills with gambling in its title in order to avoid making racinotype proposals germane to the bill.

It would allow for each veterans post to spend up to \$1,500 per person to send as many as two veterans to Washington, D.C., in May for the dedication of the National World War II Memorial. The measure places a cap on the total amount from each organization at \$6,000.

HF2521 now goes to the House floor. A Senate companion (SF2435), sponsored by Sen. Jim Vickerman (DFL-Tracy), awaits action by the full Senate.

## ★ GOVERNMENT

### ★ Sanction for sharing knowledge

Executive branch employees would be restricted from receiving payments for discussing their work with groups or individuals, under a bill heard before the House Governmental Operations and Veterans Affairs Policy Committee March 16.

Rep. Dan Severson (R-Sauk Rapids), the sponsor of HF3009, said he was made aware of the potential problem when a person asked him if their organization would be breaking any laws by paying an executive branch employee from Duluth to give a speech in the Twin Cities.

HF3009 would prohibit an employee from the



action both on work time and during off-duty hours.

While current statutes don't prohibit an individual from doing so, Severson said it is, in effect, a "double dipping" of the state's resources. An employee would be "generating extra income for knowledge already employed."

Rep. Loren Solberg (DFL-Grand Rapids) said employees could have gained their knowledge from schooling, or brought skills to the state when they were hired. He said the state doesn't "need to control everyone's lives 24 hours a day."

Rep. Jim Rhodes (R-St. Louis Park), the committee chair, suggested the order should be given from the executive branch instead of prohibiting the action in statute.

Severson told committee members he knew his bill wasn't perfect, but he wanted to bring it before the committee for discussion and volunteered to lay the bill over.

A Senate companion, SF2857, sponsored by Sen. Michelle Fischbach (R-Paynesville), awaits action in the Senate State and Local Government Operations Committee.

## ★ HEALTH

### Immigrant assistance

The House Health and Human Services Finance Committee considered a bill March 16 that would allow eligible refugees and asylees to be exempted from participating in the diversionary work program and enroll directly into the Minnesota Family Investment Program.

The bill, HF2831, sponsored by Rep. Cy Thao (DFL-St. Paul), would add certain newly arrived refugees and asylees to a list of family units that are not eligible for the diversionary work program, a mandatory four-month program legislated in 2003 for families who would otherwise be eligible for public assistance.

Lawmakers questioned aspects of the bill, and action was deferred until an unspecified date so Thao and the Department of Human Services could resolve some of those questions.

A new wave of Hmong refugees is expected to settle in Minnesota between May and July 2004, Thao said. In February a delegation led by St. Paul Mayor Randy Kelly visited the Thai refugee camp that has been home to these future Minnesota residents for the past 10 years.

Thao said the bill recognizes that many of the almost 2,000 refugees who settle in Minnesota each year do not speak English and are unlikely to find a job in the four months required by the work program.

"Refugees are being reunited with their families," said Patricia Hurd, director of refugee services for Lutheran Social Services. They need to obtain social security cards, go through

cultural orientation, enroll their children in school, and establish plans for self-sufficiency. Many enroll in a federal program that places them in jobs, she added.

The committee chair, Rep. Fran Bradley (R-Rochester), asked why the situation could not be managed within the current state law.

"The provision we have now has no case-worker judgment in it," said Chuck Johnson, director of children and family services for the Department of Human Services. There is a mechanism in place to help immigrants who have better English skills, but it makes no sense to "loop the family around" through the diversionary work program when they don't have those skills, he said.

"My community would be very upset with me if I voted for this bill," said Rep. Lynda Boudreau (R-Faribault). "This is a policy issue that ties in with public sentiment that is not very supportive."

A companion bill (SF2839), sponsored by Sen. Steve Kelley (DFL-Hopkins), awaits committee action in the Senate.

### Pharmacy access

The House Health and Human Services Policy Committee approved a bill March 11 that would attempt to provide reasonable access to pharmacies in rural areas.

HF2903, sponsored by Rep. Brad Finstad (R-New Ulm), would require health maintenance organizations to comply with federal

rules due to go into effect in 2004. The bill was sent to the House Health and Human Services Finance Committee.

The federal guidelines will require access to a pharmacy within a 15-mile radius, according to Tim Gallagher, co-chair of the Minnesota Pharmacists Association. Finstad's bill would make that rule a requirement for health maintenance organization network pharmacies in Minnesota.

In addition, the bill would establish a maximum travel distance or time to the nearest specialty physician services and other network services as the lesser of 60 miles or 60 minutes.

"We are approaching a crisis in access to pharmacies in rural Minnesota," Gallagher said. Of 33 recent pharmacy closings in Minnesota, he said nine resulted in a community being left without a pharmacy.

"Our intention is not to put anyone out of business," said Phil Solberg, representing Blue Cross and Blue Shield of Minnesota. He said the bill would tie Minnesota law to federal laws that have not yet been promulgated.

"What about the (non-monetary) costs if a pharmacy is not available at all?" asked Rep. Mary Ellen Otremba (DFL-Long Prairie). "We have to look at those costs, too."

"I don't know how the health plans will support the rural pharmacies," said Phil Griffin, a lobbyist for Preferred One. "These things are not working."

Rep. Fran Bradley (R-Rochester) said the real dilemma is to get at the rebates and other problems "that are on the other side of this."

"The pharmacists are caught in the middle," Bradley said. It's a bigger problem than just one of access, he noted.

"Rep. Finstad's bill is a good first step toward preserving access to pharmacies in rural Minnesota," Gallagher said.

The bill's companion (SF2913), sponsored by Sen. Becky Lourey (DFL-Kerrick), awaits committee action.

### Survey modification

Members of the House Health and Human Services Policy Committee were told earlier this session that Minnesota needs a balanced, unbiased, and common sense approach to nursing home surveys.

"The survey process is out of control," Rick Carter, president of Care Providers of Minnesota said Feb. 25. "It is demoralizing for all concerned."

HF2246, sponsored by Rep. Char Samuelson (R-New Brighton), would make changes to the survey process.

Approved March 12 by the committee, the bill will be sent next to the House Health and

## MUSICAL CELEBRATION



PHOTO BY LISA MARIE SANDERS

To celebrate St. Patrick's Day, Tom Klein, a St. Paul resident of Irish heritage, plays "When Irish Eyes are Smiling" on his Uilleann pipe during a recess in the March 17 floor session.

Human Services Finance Committee. There is no Senate companion.

Samuelson said she worked with a number of stakeholders to find a better way to provide oversight without using “an adversarial and demeaning approach.”

Among other provisions, the bill would:

- require that long-term care providers and surveyors be trained together;
- direct the commissioner of health to establish a quality improvement program for the survey and complaint process;
- require that, upon the request of a facility, the commissioner provide formal surveyor notes when delivering a completed statement of deficiencies;
- require that the commissioner, when posting citations, also post a facility’s response to the citations; and
- require surveyors to revisit a facility within 10 days in cases where category 2 or category 3 remedies are in place.

Training providers and surveyors together has been very positive in other states, according to Patti Cullen, lobbyist for Care Providers of Minnesota. She said it gives providers and surveyors a chance to meet in circumstances other than an actual survey “where surveyors walk in the door and the providers are in a panic.”

She said timely revisits are needed because delays can cause financial problems for a facility, which may be paying daily penalties and may not be receiving payment from the state while they are remediating a deficiency. The bill would allow survey revisits to be conducted by telephone in some circumstances.

The bill would have prohibited the commissioner from posting facility deficiencies if disputes have not been resolved. However, Rep. Michael Paymar (DFL-St. Paul) successfully offered an amendment that would allow the department to continue posting deficiencies in dispute, as long as it includes the facility’s response to the citation.

“It’s important for consumers to find out what deficiencies have been identified,” Paymar said.

### **Amending transfer rules**

In 2003 the Legislature passed a law denying medical assistance eligibility for people who transfer assets for less than their fair market value within 72 months of application for assistance.

The House Health and Human Services Policy Committee approved a bill March 12 that would amend sections of that law as it relates to charitable contributions. The bill (HF2581), sponsored by Rep. Fran Bradley (R-Rochester), moves next to the House floor.

An unintended consequence of the 2003 law is its “chilling effect” on donations to charitable organizations, said Byron Laher, a community affairs director for the Greater Twin Cities United Way. Especially chilling, he said, is the six-year look-back period.

The bill would exempt transfers made for charitable causes that meet certain criteria and would clarify how to prove a contribution was indeed charitable and not an attempt to create “artificial poverty,” Bradley said.

The intent of the 2003 Legislature, he said, was to close loopholes that allowed people to transfer assets, which resulted in taxpayers footing the bill for their nursing home care. Asset transfer can be a common practice where individuals reduce their assets so they may qualify for publicly funded health care to help cover costs, particularly in long-term care situations.

Rep. Mary Ellen Otremba (DFL-Long Prairie) unsuccessfully offered an amendment that would have had the effect of repealing the 2003 action regarding joint tenancy and life estates.

“Everybody’s in court over this,” Otremba said. The 2003 law had the effect of changing laws that people followed to protect their families, she said.

Bradley said the use of life estates — “what might have been a good idea” — is being abused. He said repealing the 2003 law is the “opposite of what we’re trying to do. We’re trying to encourage people to do what is morally right.”

“Back-dating a law is unconscionable,” Otremba said. “People are losing their farms. They thought they did the right thing according to the law.”

“I don’t think the state of Minnesota has any responsibility for paying my bills when I go into a nursing home,” said Rep. Jerry Dempsey (R-Red Wing). “Whose responsibility is it when you get old? It’s yours; it’s not the state’s.”

A Senate companion (SF2112), sponsored by Sen. Linda Higgins (DFL-Mpls), awaits committee action.

## **HIGHER EDUCATION**



### **Rioting bill amended, approved**

A bill that would disallow state grant awards for students convicted of certain crimes in connection with a riot was approved by the House Civil Law Committee March 12 and forwarded to the full House for consideration.

The bill (HF1730), sponsored by Rep. Carla Nelson (R-Rochester) generated considerable discussion, as committee members questioned whether items in the bill were thoroughly defined and whether it allowed for students to appeal certain designations.

As amended, the bill says that college stu-

dents convicted of a gross misdemeanor or felony as a direct consequence of a riot, as defined in the bill and determined by a court, would lose eligibility for a state grant and be subject to the highest applicable tuition rate for one year following the date of a conviction. Previously, the bill was less specific, providing the ineligibility for “damage to property or violence to persons” convictions.

In addition, the bill now explicitly defines a riot as an incident involving three or more people assembled specifically to disturb the peace by an intentional unlawful act resulting in property damage or personal harm.

It was amended by the committee to specifically designate that a court must rule whether the crime occurred in connection with a riot in order to address concerns of student groups that there was no process for appealing the designation that an act was connected to a riot. Now, under the bill, a student could appeal the ruling through the state’s court system.

Members were also concerned that the bill defined acts connected with a riot too loosely, and proposed language changes are now incorporated into the bill.

An additional provision amended into the bill requires the Higher Education Services Office, Minnesota State Colleges and Universities system, and University of Minnesota to collect the necessary information to administer the grant ineligibility.

Nelson described it as a checkoff similar to those on federal financial aid forms where a student must indicate whether he or she has been convicted of a crime.

The Senate companion (SF2834), sponsored by Sen. Carrie Ruud (R-Breezy Point), awaits committee action.

## **LAW**



### **Paying a public defender**

Individuals being represented by a public defender would not have to pay a representation fee until their court case has been settled, under a bill addressing a recent Minnesota Supreme Court decision.

A mandatory public defender co-payment fee imposed by the 2003 Legislature was declared unconstitutional in February 2004 because the fee cannot be waived on a case-by-case basis for indigent clients, according to nonpartisan House research staff.

Under current law, the fee is charged when the public defender is appointed. HF2619, sponsored by Rep. Steve Smith (R-Mound), would provide that the fee be collected upon the final disposition of each case and would allow the fee to be waived.

According to information prepared on HF2619 by the Supreme Court and provided to the House Judiciary Policy and Finance Committee, significant fees have been imposed on defendants in recent years. In some cases these include fines, surcharges, restitution, and fees for probation, jail booking and boarding, pretrial release alcohol sensors, chemical assessments, electronic home monitoring devices, and use of the law library by their public defenders.

Defendants often owe child support, according to the Supreme Court information. "For many defendants with a criminal record, employment is difficult," stated the court's fact sheet.

The co-payment is expected to generate \$180,000 annually, according to information provided to the committee. The tiered co-payment system charges \$50 for a misdemeanor crime, \$100 for a gross misdemeanor, \$200 for a felony, and between \$100 and \$200 for child protection cases.

Prior to the 2003 Legislature making the co-payment mandatory, the courts could waive the fee and did so at the rate of between 85 percent and 90 percent. Smith said he hopes his bill, if passed, would bring about a similar collection rate.

The bill also clarifies who is eligible for a public defender to be those charged with a felony, gross misdemeanor, or misdemeanor, as well as those appealing a felony or gross misdemeanor conviction, and minors 10 years old or older who are subject to delinquency or who have been removed from their homes for protection reasons.

The committee will consider the bill for inclusion in its omnibus bill. The bill has no Senate companion.

## ★ LOCAL GOVERNMENT

### Storm, sanitary sewer financing

A bill that would allow the City of Minneapolis a different way to calculate storm sewer charges for multiple unit apartment buildings was passed March 15 by the House.

The vote was 132-0.

Sponsored by Rep. Frank Hornstein (DFL-Mpls), HF1935/SF1626\* would also include Minneapolis in the state statute authorizing cities and towns to build waterworks and sewer systems.

The bill, which passed the Senate 62-0 March 1, was returned to that body after the House amended it with a different enforcement date.

Hornstein said the bill would allow Minne-

apolis to correct a problem with the way it charges large multiple family buildings for sewer and water services. Basing the charges on water consumption, as required by current law, is not equitable for owners of multiple unit buildings, he said.

"It's a storm water issue. This will provide an equitable rate for water billing."

The bill would amend state law to allow Minneapolis four options to calculate storm sewer charges "adjusted for reasonable calculation of storm water runoff."

In testimony before the House Local Government and Metropolitan Affairs Committee, a city official said the change would not mean a new fee for property owners.

A representative of the Minnesota Multifamily Housing Association testified in committee that apartment building owners in Minneapolis were paying more than their proportional share for storm sewer service.

Sen. Chuck Wiger (DFL-North St. Paul) is the Senate sponsor.

### Conflict of interest clarified

The House passed a bill March 15 that would add officers of watershed and soil and water conservation districts to a state law governing conflict of interest exceptions. It now moves to the governor's desk.

Sponsored by Rep. Michael Beard

### STADIUM NOTES



PHOTO BY TOM OLMSCHEID

St. Paul Mayor Randy Kelly, left, takes notes as he and Steve Novak, right, Anoka County governmental services division manager, listen to Gov. Tim Pawlenty propose his financing plan March 15 to fund stadiums for the Minnesota Twins and Minnesota Vikings.

(R-Shakopee) and Sen. Claire Robling (R-Jordan), the bill (HF1980/SF1799\*) would be effective the day after it is signed by the governor.

The House vote was 131-1. The bill passed the Senate 65-0 March 4.

In testimony before the House Local Government and Metropolitan Affairs Committee, Beard said the change was needed so a watershed district manager in his district could be reappointed to the watershed board.

The manager resigned from the board due to a potential conflict of interest, Beard said. The manager's spouse was a partner in a law firm that had a contract with the watershed district.

The state law, which does not include watershed districts, allows that a local governing body by unanimous vote "may contract for goods and services with an interested officer of the governmental unit."

### DNR, watershed district dispute

A dispute between the Lac Qui Parle-Yellow Bank Watershed District and the Department of Natural Resources has escalated into legislation that would require the department to obtain permits for construction activities in watershed districts.

HF2480, sponsored by Rep. Aaron Peterson (DFL-Madison), was prompted by a departmental dredging project that watershed officers said they were not properly informed of in advance.

The House Environment and Natural Resources Policy Committee heard both sides of the issue March 11 and forwarded the bill without recommendation to the House Environment and Natural Resources Finance Committee.

The project, a ditch through approximately 40 acres of wetlands to drain a 215-acre lake, was "midnight excavating at its worst," Peterson said.

"We didn't even know this project was taking place until it was already underway," said Willis Beecher, watershed district chair. "And we're supposed to be the ones who regulate waters and drainage in our district."

The lake provides flood control and the landowners below will have flood problems, Beecher said.

But Mark Holsten, department deputy commissioner, said the project was designed to create a large basin of high quality waterfowl habitat, and any water releases would be controlled.

After hearing of the district's concerns in the summer of 2003, Holsten said he halted the project and department officials and district representatives worked out some details in a memorandum of understanding.



The department did not go forward with the memorandum because of a lawsuit filed in September 2003 by the district against the department.

"This is no small matter," Holsten said, adding the bill would have dramatic implications for the department's habitat management activities.

The department is working internally to resolve any communications shortcomings with watershed districts, Holsten said.

A Senate companion (SF2644), sponsored by Sen. Gary Kubly (DFL-Granite Falls), awaits committee action.

## METRO AFFAIRS



### Saving money with transfers

The Metropolitan Council could make payments by electronic funds transfer, under a bill headed for the governor's desk.

HF1822/SF1814\*, sponsored by Rep. Mark Buesgens (R-Jordan), was approved 132-0 by the House March 15. The bill passed the Senate March 1 on a 64-0 vote.

"This will provide (the council) a cost savings which each state agency has," Buesgens said.

The bill, which would take effect the day after the governor signs it, would amend state law to allow disbursement of council money by electronic funds transfer in addition to checks.

The regional planning and service agency covers the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Sen. Chuck Wiger (DFL-North St. Paul) is the Senate sponsor.

## RECREATION



### Snowmobile trails, enforcement funds

Snowmobile registration fees and the unrefunded gasoline tax attributable to snowmobile use are collected in the snowmobile trails and enforcement account in the natural resources fund.

The account is dedicated toward grant-in-aid funding for trail construction and maintenance, acquisition and development of state snowmobile trails, snowmobile safety programs, and enforcement.

HF3002, sponsored by Rep. David Dill (DFL-Crane Lake), would appropriate \$50,000 from the account to the Department of Natural Resources to contract for an independent study on snowmobile use and funding.

The House Environment and Natural Resources Finance Committee reviewed the request March 16. It will be considered for inclusion in an omnibus finance bill.

The study would be targeted toward the fiscal management of the account, including the use of the money for land access and trail improvements and development.

The bill is a product of the realization that the enforcement account could be at zero by 2007, Dill said.

It is supported by the board of directors of the Minnesota United Snowmobilers Association and Laurie Martinson, the department director of trails and waterways, he said.

Under the bill, task force members would be appointed by the department commissioner and would include representatives from the department, the Department of Employment and Economic Development, the Minnesota Office of Tourism, the snowmobilers association, and the Minnesota Snowmobile Advisory Council.

The Senate companion bill (SF2862), sponsored by Sen. Thomas Bakk (DFL-Cook), awaits committee action.

### Parks parity

Greater Minnesota parks budget officers are advocating for more state money for operation and maintenance of regional parks outside the Twin Cities metropolitan area.

HF1852, sponsored by Rep. Jim Knoblach (R-St. Cloud), attempts to provide what he describes as equity between Greater Minnesota regional parks and metropolitan area regional parks by designating a funding formula.

The House Environment and Natural Resources Finance Committee reviewed the bill March 16. It will be considered for possible inclusion in its omnibus finance bill.

Under the bill, each Greater Minnesota regional park would receive no less than 40 percent of its annual actual operation and maintenance expenses, with qualifications.

Those expenses could include fire and police services, forestry, and administrative overhead.

"We haven't seen really much assistance at all in Greater Minnesota," Knoblach said of overall parks funding from the state.

He said the Greater Minnesota parks are in a situation similar to metropolitan area parks in the 1970s: a growing population and escalating land prices are starting to put pressure on the system.

Rep. Scott Wasiluk (DFL-Maplewood) disputed the claims of inequitable funding. Metropolitan parks receive a disproportionate number of annual visits, he said.

"This bill is not about taking money from metropolitan regional parks," Knoblach said.

Both Reps. Phyllis Kahn (DFL-Mpls) and Dennis Ozment (R-Rosemount) cited data that will soon be available in a statewide parks inventory that could help lawmakers deter-

mine a more equitable budgeting process.

A Senate companion bill (SF1965), sponsored by Sen. Dave Kleis (R-St. Cloud), awaits committee action.

## SAFETY



### Unlicensed drivers

An unlicensed 15-year-old driver lost control of the vehicle she was driving in May 2003, and the subsequent accident killed Vanessa Weiss, just days before her 16th birthday.

So said Vanessa's mother, Mary Weiss, in testimony before the House Civil Law Committee March 12 in support of a bill (HF2555) that would prohibit individuals from obtaining a learner's permit or driver's license until they are 18 if they have a DWI-related offense or crash-related moving violation.

Sponsored by Rep. Greg Blaine (R-Little Falls), the bill now moves to the House floor.

Though alcohol and drugs were not a factor in the accident, Mary Weiss said, excessive speed, inattentive driving, and youthful inexperience were. She said the car was moving an estimated 60 mph to 70 mph at the time of the crash, and the driver was fiddling with the radio when she lost control of the car.



Mary Weiss of St. Louis Park, whose daughter Vanessa was killed in a car crash, testifies in front of the House Civil Law Committee March 12 in support of a bill that would prohibit the issuance of a learner's permit or driver's license to a person under age 18 if they have been convicted of a DWI-related offense or a crash-related moving violation.

It rolled into a ditch along the rural county road, and all three girls were ejected from the car. Vanessa was the front seat passenger, her mother said. The driver and the backseat passenger received only minor injuries.

Mary Weiss said she doesn't know why her daughter was in the car and why the girls weren't wearing their seatbelts. Vanessa died before she could be taken to a hospital.

"Sometimes the things that teenagers do are unexplainable," she said."

Committee members suggested additional criminal penalties may be warranted in the future for such offenses, but no changes to that affect were made to the bill at the hearing. Blaine called the bill a good first step at addressing the problem.

The bill has no Senate companion.

### **Funding motorcycle training**

Money collected through motorcycle driver's licenses would be safeguarded for motorcycle safety training and awareness, under a bill approved by the House Transportation Finance Committee March 16.

Sponsored by Rep. Dan Dorman (R-Albert Lea), HF2331 would reallocate the revenues from the current distribution.

Under existing law, new motorcycle driver's licenses are priced at \$18.50 and renewals at \$13. Of these fees, \$11 and \$7 respectively are allocated to the motorcycle safety fund up to \$750,000. Once that annual cap is reached, however, the revenues are allocated to the state trunk highway fund and the state general fund.

HF2331 would have all the revenues allocated strictly to the motorcycle safety fund. The extra revenues would provide for more motorcycle safety training courses, which are so popular now that not everyone can be served, Dorman said.

Ray Egan, executive director of the Minnesota Motorcycle Riders Association, said 7,000 to 8,000 riders were trained through the motorcycle safety program last year.

About \$34,000 was transferred from the motorcycle safety fund in 2003 to the state trunk highway and general funds, Egan said. The transfer represents a trivial amount to the trunk highway fund but would be a significant contribution to the motorcycle safety fund, he added.

Only in the past four years have revenues exceeded the \$750,000 cap, necessitating a transfer to the trunk highway and general funds, Egan said.

The motorcycle safety fund provides for motorcycle safety training, a public awareness campaign involving public service announcements and billboards, and for the fund's administration.

Minnesota was the first state to fund its motorcycle safety fund entirely from motor-

cycle licensing surcharges, Egan said. Other states now do so, as well.

The bill now moves to the House Ways and Means Committee. Its Senate companion (SF2247), sponsored by Sen. Steve Murphy (DFL-Red Wing), awaits committee action.

### **Rest area changes**

A plan to allow private entities to lease state rest areas on major highways to prevent their closure is moving ahead, but with a few changes.

Two amendments to HF2627, sponsored by Rep. Lynne Osterman (R-New Hope), were approved by the House Transportation Finance Committee March 17. They define a private entity and limit road signage erected as part of rest area leases or sponsorships.

A private entity is defined in the bill as a chamber of commerce, a tourists' and visitors' bureau, or an organization that exists to promote tourism and economic development.

The definition is part of a bill that calls for raising funds to finance rest areas. Fundraising measures include leasing rest areas, soliciting sponsorships, expanding vending machine services, and establishing contract advertising.

Under the bill, private entities could lease a rest area or a portion of it for up to 20 years to sell travel- and tourism-related products or services. The leases would require the continuance of two practices at rest areas: the employment of needy elderly people, and the servicing of vending machines by visually impaired individuals.

In addition to leasing rest areas, the state would also solicit sponsorships of the facilities by public or private organizations.

Those leasing or sponsoring rest areas could acknowledge their contribution by erecting signs. An amendment states that one sign for each direction of travel on the mainline would be allowed, as well as three signs or displays at the actual rest area. No sign could exceed 100 square feet.

The bill would also allow rest areas that do not serve a public safety purpose to be sold as surplus property.

The bill is in response to a 2003 announcement by the Minnesota Department of Transportation that the state's sizeable budget deficit was forcing the closure of some of its 281 rest areas, not all of which have restrooms.

It's estimated that \$270,000 could be raised in fiscal year 2005 under the bill's fundraising measures.

The bill now moves to the House Ways and Means Committee. Its Senate companion (SF2557), sponsored by Sen. Steve Murphy (DFL-Red Wing), awaits committee action.

### **Specialty response team**

A specially trained team ready to respond to northern Minnesota accidents involving hazardous materials, such as noxious gases and fuel oils, would be created under a bill heard March 17.

Rep. Irv Anderson (DFL-Int'l Falls) is sponsoring HF2032, which would appropriate \$160,000 for the creation of a chemical assessment team in International Falls to respond to hazardous materials incidents in the region.

There are 11 such teams in Minnesota, according to the Minnesota Emergency Management Director's Handbook. However, the closest team to International Falls is nearly three hours away in Grand Rapids, Anderson said.

"The matter is of serious concern to residents," he said.

The International Falls port handles 1,000 train and truck containers a day, many of which contain hazardous chemicals, he said. Anderson distributed a three-page list to the House Judiciary Policy and Finance Committee of the hazardous materials passing through International Falls in 2003. It included sulphur, phosphoric acid, and ammonium nitrate fertilizers.

The bill has received support from the Minnesota Professional Firefighters Association.

The committee will consider the bill for inclusion in an omnibus bill. Sen. Tom Saxhaug (DFL-Grand Rapids) is sponsoring a Senate companion (SF2156). It awaits committee action.

## **★ TECHNOLOGY**

### **Assisting disabled Minnesotans**

The House Health and Human Services Finance Committee considered a bill March 16 that would appropriate \$300,000 to the commissioner of administration for a grant to Assistive Technology of Minnesota, a non-profit organization that provides access to "life-changing" equipment for individuals with disabilities. The funds would be available for loans to obtain assistive technology.

The one-time funding requested in HF2636, sponsored by Rep. Sondra Erickson (R-Princeton), would leverage \$1.5 million in federal dollars. Of the state funds, \$250,000 would go to administer a microloan program, and \$50,000 would be used to develop the Access to Telework program, which helps people work from home.

One in five people become disabled before age 65, according to Carol Fury, executive director of Assistive Technology Minnesota. The organization is a statewide agency that provides people with technology in their homes and for work.

The range of devices and services available to people with disabilities, once limited to

wheelchairs and hearing aids, now encompasses all technology applications from adaptive computers to highly technical vision aids. The increasingly sophisticated tools are also quite expensive. The microloan program would help individuals and families obtain the equipment they need.

Minnesota was chosen as one of 36 states to receive federal funding for the loan funding grant, but state financial participation is required. The funds must be used by Sept. 30, 2004.

In addition to state and federal funds, Fury said the organization would raise local money from foundations and individuals. The projected total is \$2.8 million. She said a detailed plan has been submitted to the Department of Administration, which would oversee the project.

Rachel Wobschall, executive director of Minnesota's System of Technology to Achieve Results, said programs offered by the Department of Employment and Economic Development are very eligibility specific and do not serve all the needs of people with disabilities.

HF2636 next goes to the House State Government Finance Committee. It has no Senate companion.

## ★ TRANSPORTATION

### Congestion relief

A second beltway to relieve traffic congestion in and around the Twin Cities metropolitan area would be instigated — at least on paper — under a bill approved March 11 by the House Transportation Policy Committee.

Sponsored by Rep. Andrew Westerberg (R-Blaine), HF2247 directs the transportation commissioner to prepare a preliminary plan for a second beltway outside of the current beltway, created by Interstates 494 and 694.

The plan must contain enough location and design detail to allow preparations for right-of-way acquisition, under the bill, and the plan must be submitted by June 30, 2005.

Tim Henkel, director of program management for the Transportation Department's metro district, said a second beltway would cost between \$20 million and \$40 million per mile, or between \$5 billion and \$8 billion in total.

Design and project development alone would take five years, Henkel added.

Jon Olson, division manager of public services for Anoka County, provided the committee with a map indicating a possible route between Interstates 35 and 94 through Anoka County to the north, traveling south through Wright and Carver counties, then east through Scott and Dakota counties, and north through Washington County. Cities along the proposed route are Elk River, Monticello, Watertown, Henderson, New Prague, Northfield, Cannon Falls, Hastings,

Forest Lake, Wyoming, and East Bethel.

As evidence of need, Olson said that in 1982 the typical Twin Cities driver lost about four hours per year to traffic delays. By 1997 that number had grown to 34 hours.

Rep. Frank Hornstein (DFL-Mpls), however, questioned whether long-term growth would necessitate a second beltway to the north.

Rep. Mary Liz Holberg (R-Lakeville) said, "I think people are putting their head in the sand" if they're not looking at growth outside of the seven-county metropolitan area. In some places, houses and lots together are selling for \$180,000, making the areas north of the Twin Cities more economical, she said.

The bill now moves to the House Transportation Finance Committee. Its Senate companion (SF2335), sponsored by Sen. Steve Murphy (DFL-Red Wing), awaits committee action.

### Toll collection timeline

With toll lanes and roads gaining more attention at the State Capitol, some legislators are taking precautions to ensure that any future tolls are collected only as long as necessary.

HF2718, sponsored by Rep. Ray Vandever (R-Forest Lake), states that tolls could only be collected until the construction cost of the lane or road has been recovered. That cost includes right-of-way acquisition and principal and interest on any incurred debt.

In December, Gov. Tim Pawlenty announced his support for FAST lanes on congested metropolitan highways. Under his proposal, private developers would submit bids to construct "Freeing Alternatives for Speedy Transportation" (FAST) lanes. Motorists desiring a speedier commute could pay a toll for use of the lane.

While supporters of such lanes have said the tolls would cease once the lane construction costs have been recovered, Vandever said there is no such requirement in state statute.

Mark Matuska, speaking on behalf of U.S. Rep. Mark Kennedy, said the congressman supports Vandever's bill. Kennedy would go one step further, Matuska said, by factoring the road's lifetime maintenance expenditures as a cost. Toll fees earmarked for maintenance could be placed in an escrow account to cover expenditures for the life of the road once it is turned back to the state.

The bill was approved without recommendation by the House Transportation Policy Committee and now moves to the House Transportation Finance Committee. It has no Senate companion.

## LATE ACTION: EDUCATION ★ ★ ★

### House passes social studies, science standards

The House March 18 passed a bill reflecting a new set of academic standards in science and social studies for the state's K-12 public school students. The vote was 73-55.

HF2558, sponsored by Rep. Barb Sykora (R-Excelsior), would require the education commissioner to adopt standards identical to drafts the Education Department issued for science on Dec. 19, 2003, and for social studies on Feb. 17, 2004. The standards were developed by voluntary committees appointed by the department.

The bill now moves to the Senate, where a different draft of social studies standards have been considered in committee.

The House vote followed a nearly five-hour debate that touched on creationism versus evolution in the science standards, school district costs to implement standards, the state imposing a "top-down" classroom curriculum, and whether Minnesota should opt out of the federal No Child Left Behind Act.

An amendment was adopted that would nullify the state's plan, including any standards, for implementing the federal act, if it does not explicitly opt into the act prior to Feb. 15, 2005.

Rep. Gene Pelowski (DFL-Winona) called the standards — whose adoption is required by federal law — a "Stepford" curriculum. "All we have to do is teach alike, learn alike and perform alike on tests, and if we don't we will be punished."

An amendment by Rep. Mary Ellen Otremba (DFL-Long Prairie) that would challenge a number of accepted scientific theories, including evolution, in the science standards was adopted.

Rep. Ron Latz (DFL-St. Louis Park) said the language of the proposed amendment was rejected during the drafting process. "Let's keep religion out of the science classroom," he said.

Otremba said the amendment would not lead to public school students being tested on creationism theories.

Proposed science standards covering history and nature of science, physical science, earth and space science, and life science would be implemented beginning in the 2004-05 school year.

Statewide tests based on the science standards are required by federal law beginning in the 2007-08 school year. Students must take science tests once during each grade span between 3 and 5, 6 and 9, and 10 and 12.

Proposed social studies standards comprise five areas: U.S. history, world history, government and citizenship, geography, and economics. They would not be implemented until the 2005-06 school year. No federal or state test is required for social studies.



## Thursday, March 11

### HF2976—Strachan (R)

#### Judiciary Policy & Finance

Fugitive Apprehension Unit authorized to share in certain asset forfeitures.

### HF2977—Kahn (DFL)

#### Regulated Industries

St. Paul liquor license authorized for special events at the State Capitol.

### HF2978—Powell (R)

#### Education Finance

Independent School District No. 191, Burnsville, continuing research of kindergarten programs grant provided, and money appropriated.

### HF2979—Lesch (DFL)

#### Judiciary Policy & Finance

Indecent exposure and interference with privacy offenses penalties enhanced to the felony level for second or subsequent offenses.

### HF2980—Lesch (DFL)

#### Judiciary Policy & Finance

Sex and sex-related crimes statutory maximum sentences increased, indeterminate sentencing with lifetime maximums provided for repeat sex offenders, and predatory offender sentencing law streamlined.

### HF2981—Lesch (DFL)

#### Judiciary Policy & Finance

Criminal sexual conduct crimes indeterminate and mandatory life sentences provided, predatory sex offender law restructured, release criteria required, and sex offender release review board established.

### HF2982—Sykora (R)

#### Education Finance

School readiness kindergarten assessment initiative established, and money appropriated.

### HF2983—Westrom (R)

#### Regulated Industries

Non-discriminatory telecommunications inter-carrier compensation provided.

### HF2984—Nelson, C. (R)

#### Health & Human Services Finance

Childcare assistance reimbursement for absent days limited.

### HF2985—Blaine (R)

#### State Government Finance

Camp Ripley military museum previous appropriation purpose clarified.

### HF2986—Dill (DFL)

#### Environment & Natural Resources Policy

Taconite pellet production facility permits required.

### HF2987—Tingelstad (R)

#### Civil Law

Tort liability provided for a limited partnership in which a community action agency is a general partner.

### HF2988—Atkins (DFL)

#### Commerce, Jobs & Economic Development Policy

Retaliatory insurance provisions amended.

### HF2989—Lipman (R)

#### Governmental Operations & Veterans Affairs Policy

Minnesota Election Law technical modifications provided.

### HF2990—Samuelson (R)

#### Health & Human Services Policy

Contraception and natural family planning information provided based on FDA-approved methods.

### HF2991—Krinkie (R)

#### Capital Investment

Capital improvements funding provided for state departments, bonds issued, and money appropriated.

### HF2992—Urdahl (R)

#### Agriculture Policy

Milk producer payments provided to beginning milk producers, and dairy modernization grant program established.

### HF2993—Urdahl (R)

#### Jobs & Economic Development Finance

West Central Growth Alliance pilot marketing program funding provided, and money appropriated.

### HF2994—Solberg (DFL)

#### Environment & Natural Resources Policy

Aitkin Drainage and Conservancy District reestablished.

### HF2995—Koenen (DFL)

#### Agriculture Policy

On-farm processing loan program created.

### HF2996—Thissen (DFL)

#### Taxes

Commercial-industry first tier property exemption from state general tax provided.

### HF2997—Clark (DFL)

#### Health & Human Services Finance

Dental services cap in medical assistance and general assistance medical care eliminated.

### HF2998—Dill (DFL)

#### Environment & Natural Resources Finance

Fire-suppression aircraft sale and purchase required.

### HF2999—Biernat (DFL)

#### Education Finance

School board capital account transfers authorized.

### HF3000—Jacobson (R)

#### Governmental Operations & Veterans Affairs Policy

Lawful gambling miscellaneous provisions modified.

### HF3001—Mahoney (DFL)

#### Commerce, Jobs & Economic Development Policy

Central American Free Trade Agreement; Congress memorialized by resolution to give high priority to preserving the rights of states and of local governments to govern themselves when considering ratification of CAFTA.

### HF3002—Dill (DFL)

#### Environment & Natural Resources Finance

Snowmobile use study funding provided, and money appropriated.

### HF3003—Rhodes (R)

#### Education Finance

Minneapolis Library Board and Hennepin County Library Board merger study federal funds reallocated.

### HF3004—Pelowski (DFL)

#### Higher Education Finance

Tuition; state payment of two-thirds of cost of instruction at public higher education institutions required, and constitutional amendment proposed.

### HF3005—Soderstrom (R)

#### Governmental Operations & Veterans Affairs Policy

County seat voting times modified.

### HF3006—Cox (R)

#### Environment & Natural Resources Finance

Metropolitan Council land banking grant funding provided, bonds issued, and money appropriated.

### HF3007—Gunther (R)

#### Regulated Industries

Electric service provided for on-site distributed generation owned and operated by political subdivision.

### HF3008—Nelson, C. (R)

#### Environment & Natural Resources Policy

State surplus land conveyance authorized.

### HF3009—Severson (R)

#### Governmental Operations & Veterans Affairs Policy

Executive branch employees prohibited from receiving cash payments for discussing the work of an executive agency.

### HF3010—Magnus (R)

#### Environment & Natural Resources Policy

Rock County tax forfeited land sale authorized.

### HF3011—Lesch (DFL)

#### Health & Human Services Policy

Health care; right to affordable, basic health care affirmed for every resident of Minnesota through proposed constitutional amendment.

### HF3012—Meslow (R)

#### Judiciary Policy & Finance

Retired court commissioners authorized to perform judicial duties in the district court.

### HF3013—Magnus (R)

#### Taxes

Energy conversion system land value classification provided.

## Monday, March 15

### HF3014—Otremba (DFL)

#### Health & Human Services Policy

Live birth definition provided.

### HF3015—Otremba (DFL)

#### Jobs & Economic Development Finance

Health care facilities job opportunity building zones authorized.

### HF3016—Seagren (R)

#### Education Finance

Pre-kindergarten through grade 12 education finance funding provided including general education, special programs, facilities, and early childhood and family education; and money appropriated.

### HF3017—Sertich (DFL)

#### Commerce, Jobs & Economic Development Policy

Unemployment benefits extended for employees laid off by the airline industry and other specified companies.

**HF3018—Juhnke (DFL)****Education Finance**

Education telecommunications fund established, school and public library telecommunications network support provided, access fee imposed, and money appropriated.

**HF3019—Otremba (DFL)****Health & Human Services Finance**

Minnesota Family Investment Plan family cap repealed.

**HF3020—Juhnke (DFL)****Health & Human Services Policy**

Dental hygienists practice provisions modified.

**HF3021—Thissen (DFL)****Governmental Operations & Veterans Affairs Policy**

Local parks lottery game feasibility study required.

**HF3022—Rukavina (DFL)****Environment & Natural Resources Policy**

Nonresident fishing licenses made invalid for first seven days of the fishing season, and license fee increased for nonresidents.

**HF3023—Seifert (R)****Health & Human Services Policy**

At-home infant child care program established.

**HF3024—Borrell (R)****Health & Human Services Policy**

Health insurance premium variations prohibited based on claims experience for employers smaller than 100 employees, and use of group experience in workers' compensation insurance limited.

**HF3025—Severson (R)****Education Finance**

School districts in statutory operating debt authorized to levy for school bus purchases.

**HF3026—Hausman (DFL)****Agriculture & Rural Development Finance**

Minnesota Horticultural Society funding provided, and money appropriated.

**HF3027—Kahn (DFL)****Health & Human Services Policy**

Genetic information use regulated relating to insurance purposes.

**HF3028—Davnie (DFL)****Education Policy**

Special School District No. 1, Minneapolis, board membership specified as three members by district and three to be elected at-large.

**HF3029—Ruth (R)****Taxes**

Waseca local sales tax authorized, and revenue use specified.

**HF3030—Larson (DFL)****Local Government & Metropolitan Affairs**

Minneapolis-St. Paul International Airport construction restricted until noise mitigation approval.

**HF3031—Larson (DFL)****Local Government & Metropolitan Affairs**

Met Center restrictive covenant release of rights required.

**HF3032—Davids (R)****Civil Law**

Animals running at large strict civil liability imposed on owner of person having control of the animal.

**HF3033—Rhodes (R)****Judiciary Policy & Finance**

Veterans Affairs Department officers included in the definition of federal law enforcement officers for purposes of state arrest authority and tort liability and indemnification.

**HF3034—Peterson (DFL)****Health & Human Services Policy**

Yellow Medicine County Hospital District board membership provided.

**HF3035—Peterson (DFL)****Environment & Natural Resources Finance**

Monson Lake State Park camping improvements funding provided, bonds issued, and money appropriated.

**HF3036—Peterson (DFL)****Jobs & Economic****Development Finance**

Swift County; Chuck Brown memorial building construction funding provided, bonds issued, and money appropriated.

**HF3037—Hausman (DFL)****Transportation Finance**

Metropolitan and Greater Minnesota transit assistance funding restored for 2005, and money appropriated.

**HF3038—Buesgens (R)****Education Finance**

Education access grant pilot sites selected to provide access grants to low-income children residing in school districts with documented academic achievement gaps.

**HF3039—Rukavina (DFL)****Taxes**

Biwabik local lodging tax authorized.

**HF3040—Hilty (DFL)****Health & Human Services Finance**

Carlton County nursing facility rate increase provided, and money appropriated.

**HF3041—Lindner (R)****Jobs & Economic****Development Finance**

Advocating Change Together grant provided to provide training, assistance, and resource materials to persons with developmental and mental health disabilities.

**HF3042—Johnson, S. (DFL)****Judiciary Policy & Finance**

Public safety services funding restored, including the Crime Victim Services Center, the Bureau of Criminal Apprehension, the state fire marshal, and criminal gang strike force grants; and money appropriated.

**HF3043—Hoppe (R)****Environment & Natural Resources Policy**

Off-highway vehicle use on wetlands impact study required, and money appropriated.

**HF3044—Simpson (R)****Taxes**

Resort property subjected to limited market value property tax provisions, and first-year inclusion calculations modified.

**HF3045—Brod (R)****Transportation Policy**

Hybrid and inherently low emission vehicle definitions provided, specified vehicles authorized to operate in toll lanes and high-occupancy vehicle lanes, and identifying decals issued.

**HF3046—Johnson, J. (R)****Civil Law**

Attorney fees and costs standards provided relating to claim proceedings.

**HF3047—Dorn (DFL)****Local Government & Metropolitan Affairs**

Urban development limited on unincorporated property that abuts a municipality, and exceptions provided.

**HF3048—Marquart (DFL)****Education Finance**

Independent School District No. 801, Browns Valley, authorized to exercise remaining levy authority for disability access projects.

**HF3049—Howes (R)****Environment & Natural Resources Policy**

Bear hunting; use of dogs authorized for tracking and trailing bear.

**HF3050—Abrams (R)****Taxes**

Estate tax exemption provided for certain estates of decedents.

**HF3051—Abrams (R)****Taxes**

Tax provisions modified relating to income, franchise, occupation, and property taxes; military service income tax subtraction provided; motor vehicle and cigarette sales tax imposed; tax definitions provided; and money appropriated.

**HF3052—Eken (DFL)****Education Finance**

Independent School District No. 599, Fertile-Beltrami, tax base treatment adjusted for purposes of levy adjustments.

**HF3053—Eken (DFL)****Education Policy**

Vocational and technical education required as an academic standard.

**HF3054—Thissen (DFL)****Commerce, Jobs &****Economic Development Policy**

Caregivers granted sick time benefits to use in case of illness or injury to a parent, grandparent, or stepparent; caregiver programs provided; Minnesota home care tax credit provided; and money appropriated.

**HF3055—Vandever (R)****Civil Law**

Air museum accident liability limited.

**HF3056—Wagenius (DFL)****Transportation Policy**

Trunk highway rights-of-way debris and litter removal policies and procedures report required.

**HF3057—Meslow (R)****Judiciary Policy & Finance**

Crime victim services, and sexual violence prevention efforts funding provided; and money appropriated.

**HF3058—Abrams (R)****Taxes**

Federal tax law conforming changes provided.

**HF3059—Lenczewski (DFL)****Taxes**

Alternative minimum tax repealed.

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**Wednesday, March 17**

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**HF3060—Paymar (DFL)****Civil Law**

Medical assistance liens and claims against certain joint tenancies limited.

**HF3061—Osterman (R)**  
**Governmental Operations & Veterans Affairs Policy**  
State Board of Investment increased participation in venture capital investments authorized, data classified, and money appropriated in the event of an investment shortfall.

**HF3062—Sykora (R)**  
**Education Policy**  
Highly qualified teachers as defined under the No Child Left Behind Act required to teach students in core academic areas.

**HF3063—Pugh (DFL)**  
**Governmental Operations & Veterans Affairs Policy**  
Dakota County; Pilot Knob/Oheyawahi designated as a historic place.

**HF3064—Haas (R)**  
**State Government Finance**  
Administration Department required to rent out space in a specified St. Paul state-owned building.

**HF3065—Pugh (DFL)**  
**Civil Law**  
Discrimination based on familial status prohibited by employers.

**HF3066—Osterman (R)**  
**Commerce, Jobs & Economic Development Policy**  
Interior designer certification changed to licensure.

**HF3067—Holberg (R)**  
**Civil Law**  
Domestic fatality review team pilot project in the fourth judicial district extension authorized.

**HF3068—Bradley (R)**  
**Health & Human Services Finance**  
Nursing facility reimbursement provisions modified.

**HF3069—Eken (DFL)**  
**Environment & Natural Resources Policy**  
Mahnomen County tax-forfeited land sale authorized.

**HF3070—Anderson, I. (DFL)**  
**Taxes**  
Lake of the Woods County lodging tax proceeds use provided.

**HF3071—Solberg (DFL)**  
**Commerce, Jobs & Economic Development Policy**  
Traffic escorts exempted from the experience requirements of a protective agent license.

**HF3072—Solberg (DFL)**  
**Judiciary Policy & Finance**  
Part-time peace officer restrictions repealed.

**HF3073—Rukavina (DFL)**  
**Taxes**  
Charitable donation of meals exempted from sales tax.

**HF3074—Davids (R)**  
**Jobs & Economic Development Finance**  
Business subsidies job creation or retention requirement specified.

**HF3075—Eken (DFL)**  
**Health & Human Services Finance**  
Nursing home residents credit provided, nursing home surcharge reduced, income tax rates modeling provided, and money appropriated.

**HF3076—Davnie (DFL)**  
**Education Finance**  
Net debt limit definition expanded for school districts.

**HF3077—Strachan (R)**  
**Judiciary Policy & Finance**  
Probation officer funding grants provided to counties to supervise sex offenders.

**HF3078—Solberg (DFL)**  
**Jobs & Economic Development Finance**  
Commercial application of e-learning in rural Minnesota funding provided, and money appropriated.

**HF3079—Eken (DFL)**  
**Health & Human Services Finance**  
Becker County nursing facility planned closure rate adjustment authorized.

**HF3080—Nelson, C. (R)**  
**Education Finance**  
Limited English proficiency pupils permitted to receive limited English proficiency programs and instruction for up to seven years.

## Thursday, March 18

**HF3081—Abrams (R)**  
**Taxes**  
Local public finance authority provisions modified relating to purchase of computers, conservation easements, special service districts, and street reconstruction.

**HF3082—Kuisle (R)**  
**Transportation Policy**  
Motor vehicle title, licensing, taxation, fees, dealership, registration, and other miscellaneous provisions modified.

**HF3083—Magnus (R)**  
**Environment & Natural Resources Policy**  
Pipeline routing permits issued by the Environmental Quality Board, and board enforcement authority ratified.

**HF3084—Abeler (R)**  
**Environment & Natural Resources Policy**  
Groundwater protection provisions modified.

**HF3085—Otremba (DFL)**  
**Agriculture Policy**  
Pesticide application information access granted in order to protect human and livestock health.

**HF3086—Sieben (DFL)**  
**Health & Human Services Finance**  
MinnesotaCare eligibility sponsor income treatment modified.

**HF3087—Kuisle (R)**  
**Taxes**  
Aggregate resource preservation property tax program established, restrictive covenant required on certain land, and unmined aggregate property classification provided.

**HF3088—Erickson (R)**  
**Governmental Operations & Veterans Affairs Policy**  
Foreign business entities prohibited from making campaign contributions.

**HF3089—Stang (R)**  
**Local Government & Metropolitan Affairs**  
Metropolitan stadium authority established, and membership and powers specified.

**HF3090—Gunther (R)**  
**Jobs & Economic Development Finance**  
Employer wage assistance grant program created to retain and create jobs, and money appropriated.

**HF3091—Abrams (R)**  
**Transportation Finance**  
Metropolitan area transit and paratransit capital expenditures financing provided through bonds issued.

**HF3092—Abrams (R)**  
**Taxes**  
Tax abatement duration limit increased.

**HF3093—Rukavina (DFL)**  
**Taxes**  
Tax increment financing net tax capacity ceiling imposed upon cities of the first class.

**HF3094—Kelliher (DFL)**  
**Environment & Natural Resources Policy**  
Environmental review required for any tire burning facility that uses fluidized bed boiler system technology.

**HF3095—Murphy (DFL)**  
**Taxes**  
Railroad property included in measures of commercial industrial property.

**HF3096—Abeler (R)**  
**Environment & Natural Resources Policy**  
Decoy restrictions enhanced during waterfowl hunting season.

**HF3097—Lenczewski (DFL)**  
**Taxes**  
Metropolitan fiscal disparities law abolished.

**HF3098—Zellers (R)**  
**Commerce, Jobs & Economic Development Policy**  
Nursing mothers in the workplace provided locks or secure places to express milk in privacy.

**HF3099—Zellers (R)**  
**Judiciary Policy & Finance**  
Malicious punishment of children penalties increased, and offenses ranked at specified severity levels.

**HF3100—Zellers (R)**  
**Taxes**  
Veterans of the global war on terrorism fund donation income tax check-off provided.

**HF3101—Zellers (R)**  
**Governmental Operations & Veterans Affairs Policy**  
Global war on terrorism veterans bonus funding provided, bonds issued, money appropriated, and constitutional amendment proposed.

**HF3102—Gunther (R)**  
**Jobs & Economic Development Finance**  
Cosmetology and barbering regulation merged under one state examiners board.

**HF3103—Gerlach (R)**  
**Governmental Operations & Veterans Affairs Policy**  
Lawful gambling combined receipts tax repealed.

**HF3104—Cornish (R)**  
**Environment & Natural Resources Policy**  
Captive wildlife criminal penalties repealed.

**HF3105—Knoblach (R)**  
**Capital Investment**  
St. Cloud; Paramount Theater grant modified to provide for city ownership of the facility.



MINNESOTA HOUSE OF REPRESENTATIVES  
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SPEAKER OF THE HOUSE: STEVE SVIGGUM  
MAJORITY LEADER: ERIK PAULSEN  
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# MINNESOTA INDEX

## Minnesota Agriculture

Number of Minnesota farms in 2002 .....	80,865
In 1997 .....	78,755
Increase, as percent .....	3
Principal operators on farms in 2002 that are non-white .....	252
In 1997 .....	219
2002 principal operators that were women .....	5,573
In 1997 .....	4,205
Number of people living in households of farm operators in 2002 .....	262,780
As approximate percent of state population .....	5
Average age of principal operator of a Minnesota farm in 2002 .....	52.9
In 1997 .....	51.2
In 1982 .....	47.2
Average age of American agricultural producers in 2002 .....	55.3
Family farms designated as a Century Farm, meaning it must be in family ownership for 100 years, since the program's inception in 1976 .....	7,931
Estimated loss to Minnesota farmers in 2003 due to drought conditions, in billions .....	\$1.1
Value of state farm exports in 2001, in billions .....	\$2.3
Increase from 2000, in millions .....	\$70
State rank in 2002 in production of sugarbeets, oats, and green peas for processing .....	1
Rank for turkeys, canola, cultivated wild rice and sweet corn for processing .....	2
Rank for corn, soybeans, hogs, flax, American cheese and mink pelts .....	3
Rank for milk cows, milk production, total cheese, ice cream, and honey .....	5
Decade that Fort Snelling was the first farming community by European settlers in the area .....	1820s
Estimated years that Minneapolis led the world in flour milling, earning it the nickname "Mill City" .....	1880-1930
Loaves of bread made daily from the wheat milled at the Washburn A Mill in Minneapolis during its heyday between 1880 and 1930, in millions .....	12
Number of railroad cars filled with wheat processed daily at the mill .....	175
Minnesota youth affected by 4-H-related activities and projects in 2003 .....	144,540
4-H participants in 2003, as percent, who live in rural areas or on a farm .....	49
Those in a small town, as percent .....	24.5
Suburban or urban areas, as percent .....	24.5
Approximate number of youth annually taking part in Minnesota FFA (Future Farmers of America) Foundation programs .....	10,000

Sources: *AgMag: The Magazine of Minnesota Agriculture in the Classroom, 2003/2004* and *2003 Minnesota Agricultural Statistics*, both from the Minnesota State Agricultural Statistics Service; Minnesota Department of Agriculture; National Agriculture Statistics Service; Minnesota 4-H; Minnesota State Fair; and Minnesota FFA Foundation.

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