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SESSION Weekly

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INSIDE: A tax by any other name, Border battles, Laws and sausages, MORE

This Week's Bill Introductions HF2381-HF2431

SESSION Weekly

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CONTENTS

HIGHLIGHTS

Agriculture • 5
Arts • 5
Banking • 5
Bonding • 6
Consumers • 6
Crime • 6
Development • 6
Education • 7

Elections • 8
Employment • 8
Environment • 9
Government • 10
Health • 11
Higher Education • 11
Human Services • 12
Humanities • 13

Industry • 14
Insurance • 14
Retirement • 15
Safety • 15
Tourism • 15
Transportation • 16
Veterans • 16

BILL INTRODUCTIONS (HF2381-HF2431) • 22-23

FEATURES

FIRST READING: Taxes or fees — it's all in the definition • 3

CAPITOL CENTENNIAL: A virtuous display • 4

AT ISSUE: With or without gaming, targets are set • 17

AT ISSUE: Annexation pits city against township • 18

AT ISSUE: Mercury in vaccinations raises autism concerns • 19

DEPARTMENTS/RESOURCES

Minnesota State Agencies • 16
House rules governing budget resolutions • 20
Come to the Capitol • 21

Minnesota Index: Tax Deadline • 24
For more information • 24

On the cover: Third and fourth graders from St. Peter Claver School in St. Paul show their new, commemorative Minnesota state quarters after they were passed out during a ceremony on the front lawn of the Capitol April 12. Gov. Tim Pawlenty and U.S. Mint Director Henrietta Holsman Fore spoke during the ceremony. Fore told the 5,000 students to hold on to the quarter because the coins would only be minted for 10 weeks.

—Photo by: Tom Olmscheid

What's in a name?

Tax or fee? It's all in your definition

By MATT WETZEL

The money you pay to renew your driver's license is commonly called a fee. Yet for most adult Minnesotans, having a driver's license is not really an option, it is a necessity. You need it to get to work, school, the grocery store and practically anywhere else.

"That's not really a choice to the vast majority of people in the state," said Rep. Phil Krinkie (R-Shoreview), chair of the House Taxes Committee. Therefore, he believes, the renewal charge is not a fee, but a tax. "It's only a fee if there's a competitive service or a competitive availability for," he said.

You can't go anywhere but to the state to get your driver's license, so it is a tax, according to Krinkie's definition.

And as the owner of a small business, he doesn't have any options when he renews his business license. "I'm required by law to do it and I have nowhere else to go," he said.

On the other hand, people now have plenty of options beyond the U.S. Postal Service when writing a letter or shipping a package. That includes e-mail, FedEx or UPS. So the money you pay

for a postage stamp would be a fee, according to Krinkie's definition. "This is competitive. When there is no competition, how do we know if the fee you're paying truly represents the cost of the service?" he asked.

Krinkie believes that the definitions of taxes and fees have gone way out of whack in Minnesota government, so he's trying to bring folks back to reality by sponsoring HF2178, which

would define a tax, fee and charge. The bill is not yet scheduled for a hearing, but has been referred to the House Taxes Committee.

A companion bill (SF2206), sponsored by Sen. Lawrence J. Pogemiller (DFL-Mpls), has been referred to the Senate Taxes Committee.

The bill states, in effect, that a tax is any charge assessed by a government entity on people, businesses, goods, services or transactions. The bill further states that any "fee" or "charge" fitting that definition is a tax.

Historically, people have come to define taxes as what is deducted from your salary,

what you pay extra on things you buy and the assessment you pay on your property. For businesses, it's the money they pay on sales, property, income and payroll.

According to Webster's New World Dictionary and Thesaurus, a tax is "a compulsory payment or percentage of income, property value, etc., for the support of government."

People have come to define fees as the money you pay whenever you do business with the government, such as license fees and filing fees. Local governments also charge sew-

age fees, inspection fees, and most of those services can't be obtained anywhere else.

Going back to the dictionary, a fee is "a charge for professional services, licenses, etc."

Dan Salomone, commissioner of the Department of Revenue, said the difference between a tax and a fee is not black and white, and he provides a checklist to identify a fee:

Tax means any fee, charge, exaction, or assessment imposed by a governmental entity on an individual, person, entity, transaction, good, service, or other thing.

— HF2178 definition

1. The public benefits or cost can be assigned to a particular group of people. An example would be a hunting license. Hunters pay for hunting licenses, and they get the benefits.
2. The fee should pay for the cost of service.
3. There should be no large extended benefits paid for by fees, such as higher education.
4. The use or level of use is not mandatory.
5. Is the fee a burden to people on low or fixed incomes?

6. Fees shouldn't be more expensive to administer than the revenue they collect.

Also, under Krinkie's definition, licensing fees for casinos, plus just about anything else people pay to the government for service they can't get somewhere else, would be a tax. In recent years, to balance the budget, state government has increased some fees.

"There's been a great deal of discussion as to 'Is it a fee increase or a tax?'" Krinkie said. "The governor has said he doesn't support any tax increases or new taxes. I think this would be a good way to have a discussion of what is a tax and what is a fee.

"We've had dramatically increasing fees in the last six to eight years. What we're doing is not about the cost (of the service); we're putting the money in the General Fund to balance the budget."

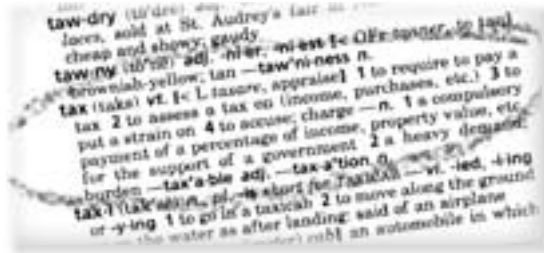
He doesn't blame governments for raising fees, especially when budgets are tight. "I don't think it's intentional. I don't think it's deliberate," he said.

Krinkie's bill has attracted some interesting co-sponsors, including his philosophical opposite, Rep. Tom Rukavina (DFL-Virginia), also a member of the House Taxes Committee.

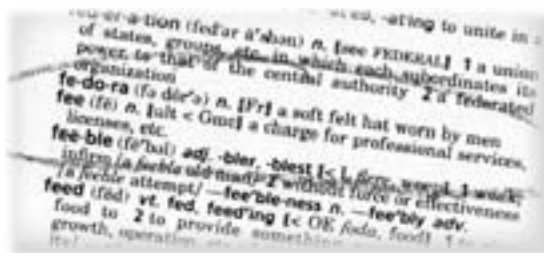
Rukavina agrees that it's time to define a tax and fee, and that's why he signed on with the bill.

"When I had a surcharge on my seatbelt violation I didn't get anything for it," he said. "You pay a sewage fee to the city when they come out to adjust your septic system. It's a tax."

First Reading continued on page 4



Webster's New World Dictionary and Thesaurus defines a tax this way.



Webster's New World Dictionary and Thesaurus defines a fee this way.

First Reading continued from page 3

Another co-sponsor of the bill is Rep. Ann Lenczewski (DFL-Bloomington), the lead DFLer on the House Taxes Committee. She said the term “fees” is a lot more palatable to politicians and the public than taxes.

“I think what people are doing is mitigating the definition of a tax because they don’t want to call it a tax,” she said. “The best way to do it is call it a tax and fight for it.”

She said gambling advocates are proposing to fix the budget with gambling fees, and taxes

aren’t even mentioned. “If they’re generating money for the state, you should call it a tax,” she said. “Gambling should be viewed in the same light as everything else.”


Gov. Tim Pawlenty campaigned on a “No New Taxes” platform, and he continues to make that his watchword. Krinkie is aware of that, and he’s aware that if his bill becomes law it might turn the governor’s fee increases into new taxes or tax increases.

“My interest here is to deliberate on the policy issues and not to deliberate on the political risk of the equation,” Krinkie said. “If

it comes down to a definition, then I guess he has to decide. I agree with the governor that we shouldn’t raise taxes,” he said.

Rukavina is more blunt. “The governor said ‘no new taxes’ but that’s a promise he’s already broken,” he said, because property taxes and many fees have gone up.

Krinkie can’t wait to talk about what is a tax, and what is a fee and who is raising what. The first stop is his committee.

“Let’s have the debate. Hopefully, we’ll have a spirited debate,” he said. 

Virtuous display

Statues remind visitors of ‘moral roots of their government’



The six statues above the main entrance to the Capitol symbolize the virtues apparent in good government and good citizenship.

Exercise sound judgment; be wise, brave, generous

and honest, they say from across the ages in allegorical fashion.

From left to right, they are: Wisdom, Courage, Bounty, Truth, Integrity and Prudence.

“The statues reflect conventional studio poses, and carry such typical studio equipment as Truth’s mirror, Prudence’s lamp, and the sword and shield of Courage,”

explains Thomas O’Sullivan in *North Star Statehouse*. “These fine points of iconology may be obscure to viewers so far below, but the statues add a graceful human accent and remind those entering the Capitol of the moral roots of their government.”

Designed by American sculptor Daniel Chester French (1850-1931), who also collaborated on the Quadriga, or Golden Horses statuary, the statues were carved in marble, on site, by local stonecutters.

French is perhaps best known for his stately seated statue of Abraham Lincoln in the Lincoln Memorial in Washington, D.C.

Though the golden horses above the statues tend to steal their thunder, the statues lend a moral air to the façade.

Apparently, French worried about crossing into immoral territory with his design for one of them.

He was a bit concerned Truth would be too naked for Minnesotans’ social mores, according to Neil B. Thompson in *Minnesota’s State Capitol: The Art and Politics of a Public Building*. So, he solicited criticism from architect Cass Gilbert, Thompson wrote. “No reply exists in the architects papers, but the finished statue (the fourth figure from the left) suggests that Gilbert felt public opinion in Minnesota was capable of accepting the nudity of a classical stone figure.”

(N. Wood)



PHOTO ILLUSTRATION BY TOM OLMSCHIED

Wisdom, Courage, Bounty, Truth, Integrity and Prudence, from left to right in this composite photo, stand above the front entrance of the Capitol as steadfast reminders of upstanding citizenship and government.

★ **AGRICULTURE**

Fuel facts

Over the years, ethanol opponents have raised concerns over whether the fuel blend harms engines and decreases fuel efficiency.

Since 1997, most motor vehicle gasoline sold in Minnesota has been required to contain 10 percent agriculturally derived ethanol by volume. The questions were posed then, and they were echoed again in 2005 during debate over a bill that would raise the required ethanol/gasoline blend.

HF2045, sponsored by Rep. Andy Welti (DFL-Plainview), would arrange for additional research to determine the effects of ethanol on fuel system materials compatibility and ways to maximize fuel efficiency of ethanol fuel blends in motor vehicles without also increasing tailpipe emissions controls.

The House Agriculture and Rural Development Committee approved the measure April 12. It now moves to the House Agriculture, Environment, and Natural Resources Finance Committee.

The bill would direct \$200,000 in fiscal years 2006-07 to the Department of Agriculture to oversee up to two research grants.

Welti said he has in mind the University of Minnesota and Minnesota State University, Mankato as possible grant recipients. The automotive/fuel research departments at both institutions sent letters in support of the bill.

The bill would require a match of \$2 in non-state money for every \$3 of state funding.

The Minnesota Corn Growers Association is interested in assisting with funding for the research, said lobbyist Valerie Jerich.

A companion bill (SF1893), sponsored by Sen. Steve Murphy (DFL-Red Wing), has been laid over for possible inclusion in an omnibus finance bill by the Environment, Agriculture and Economic Development Budget Division of the Senate Finance Committee.

'Woodstock for livestock'

Rep. Dean Urdahl (R-Grove City) wants rural Minnesotans to give peace a chance.

He is sponsoring a House memorial resolution (HF2382) that calls for an end to the "feedlot wars" over animal agriculture.

The House Agriculture and Rural Development Committee approved the measure April 12 and sent it to the House Agriculture, Environment and Natural Resources Finance Committee.

The resolution is in response to the contentious debate over feedlots and permits during the past 20 years, Urdahl said. "I kind of look at it as Woodstock for livestock."

He is asking Minnesotans to channel rhetoric and resources into promoting rather than criticizing another person's preferred method of livestock production.

"Be it resolved, that 2005 be known as the year that the Minnesota feedlot wars ended and a new era beginning that is characterized by peace, harmony, love, and acceptance of diversity with regard to livestock farmers in Minnesota," the resolution reads.

It concludes with these findings: Livestock farmers should "renew and intensify their efforts to be good neighbors and carefully follow all federal, state and local regulations." Meanwhile, rural residents should "renew and intensify their efforts to be good neighbors, and accept, encourage and support the livestock farmers in their area."

A companion bill (SF1218), sponsored by Sen. Steve Dille (R-Dassel), awaits action on the Senate floor.

★ **ARTS**

Capturing another artifact

The portrait of a man who designed the State Capitol would remain longer in the building, under a bill passed by the House 131-0 April 7.

The bill now awaits action by the Senate where Sen. Cal Larson (R-Fergus Falls) is the sponsor.

Sponsored by Rep. Phyllis Kahn (DFL-Mpls), HF1458 would require the Minnesota Historical Society to submit a request to the Smithsonian Institute Museum of American Art to keep the portraits of Cass Gilbert and his wife, Julia Finch Gilbert, on display in the current location when they are not publicly displayed elsewhere. The portraits are on loan from the museum and displayed on the second floor of the Capitol.

"These portraits, until we requested them ... were being stored in the basement of the Smithsonian," Kahn said, adding the bill keeps the historical society on track to work on maintaining the portraits.

During a House committee meeting, Kahn said that Larson told her, "We shouldn't give 'em back. We should just treat it like the Virginia flag and just keep it."

The Confederate battle flag of the 28th Virginia Infantry Regiment, recently displayed



Time to drop the gavel
The gavel is about to come down on committee actions. By Friday, April 22, omnibus finance bills must be out of House and Senate finance committees.
There will be no floor sessions or committee activity April 25, the day after Passover.

in the Capitol, is in the possession of the historical society, which has rebuffed requests by Virginia state officials and a Civil War reenactment group to return the flag. Kahn said future loans from the institute could be made difficult if the society were to capture the portraits as well.

"The reason we have the Virginia battle flag is because we fought a Civil War. We want to deal with these paintings with a little less bloodshed," Patrick McCormack, deputy director for the interpretive programs for the historical society, told a House committee.

★ **BANKING**

New bank for Burns Township



Burns Township in the northwest corner of Anoka County was given the green light to open a bank branch in its community when Gov. Tim Pawlenty signed a new law April 7.

Rep. Larry Howes (R-Walker) and Sen. Carrie L. Ruud (R-Breezy Point) sponsored the legislation that allows Pine River State Bank, which has its main office in Pine River, to establish a branch in Burns Township.

A bank that wants to open a new branch needs permission from the Legislature when that branch will be in a township. The Legislature grants an exemption about once every two years.

The law takes effect upon approval by the Burns Township Board.
HF997*/SF985/CH18

BONDING



Capital investment bill is now law

Signed
by
the
governor

Gov. Tim Pawlenty signed the \$945 million capital investment bill April 11.

Included in the bill is \$885.9 million in general obligation bonds and \$59 million in user-financed bonds. The funding proposal includes \$37.5 million for the Northstar commuter rail line that will run from Minneapolis to Big Lake. Included in the route is Coon Rapids, where the governor signed the legislation.

"After years of hard work by many it's time to get on board the Northstar line," Pawlenty said in a prepared statement. "This is one of the fastest growing corridors in the country. We need to bring relief and more choices to commuters so they can spend more time the way they choose, rather than sitting in traffic. The Northstar commuter line is a congestion buster and we need it."

The \$265 million project, of which half is to come from the federal government and the rest from the state and local coffers, is expected to save 890,000 commuter hours annually.

Pawlenty said the bill also contains money in five quality-of-life areas:

- \$322 million for higher education;
- \$211 million for water, environment and natural resources, including \$28.9 million for local sewer and water projects, \$27 million for local flood hazard mitigation grants and \$23 million for the Conservation Reserve and Enhancement Program;
- \$204 million in the areas of jobs, housing and transportation, including \$40 million in local bridge replacements, \$21.7 million for a University of Minnesota/Mayo Clinic biotechnology research center and \$18.5 million for biotechnology and health science development;
- \$125 million for safer communities, including \$84.8 million for an expansion of the Faribault prison; and
- \$83 million for effective government and public services, including \$2.5 million for emergency riverbank protection along the Red Lake River in Crookston and Red Lake Falls and \$670,000 for a World War II Veterans Memorial on the Capitol Mall.

Supporters of the measure say an estimated 10,000 new construction jobs will be created because of the law.

A copy of the spreadsheet is available at: <http://www.house.mn/fiscal/files/bond05.pdf>.

Rep. Dan Dorman (R-Albert Lea) and Sen. Keith Langseth (DFL-Glyndon) sponsored the law, which is effective April 12, 2005.

HF3*/SFnone/CH20

CONSUMERS



Motor vehicle loans

Signed
by
the
governor

The Motor Vehicle Retail Installment Sales Act will be recodified.

Gov. Tim Pawlenty signed into law April 7 purely technical changes to the act, which renumbers the statutes dealing with motor vehicle loans by dealers.

Effective Aug. 1, 2005, the law puts those statutes in a new chapter of statutes that involves lending and is regulated by the Department of Commerce.

Rep. Diane Loeffler (DFL-Mpls) and Sen. Julianne E. Ortman (R-Chanhassen) sponsored the legislation.

HF933*/SF1437/CH19

CRIME



Easing into the community

The corrections commissioner would be authorized, under HF2351, to transfer prisoners who have less than 180 days left of their prison sentences to the county or regional jail in the jurisdiction where the offender plans to live when on supervised release from prison.

This would help ease offenders back into their communities and would also free up space in the state's overcrowded prisons, Rep. Debra Hilstrom (DFL-Brooklyn Center), the bill's sponsor, told the House Public Safety Policy and Finance Committee April 8.

"The bill creates a foundation for us at the local level do a better job of dealing with offenders upon their release from prison," said Ron Wiborg of Hennepin County Community Corrections. At the local level, he said it would be easier to reunite prisoners with their families, connect offenders with follow-up treatment and begin seeking a job so they are more ready to go right to work upon release.

"While some of the larger county facilities may have pre-release programming, many have none," said Dennis Benson, deputy corrections commissioner, speaking against the bill. He said the state has a comprehensive pre-release program for all offenders that includes transition coordinators, housing and job fairs and job placement coordinators.

Under the bill, the state would pay counties a per diem for prisoners equal to what the state pays now to rent county jail space for some prisoners because the state facilities are full.

The bill would also free up space in county jails by allowing offenders, now released during the day to go to work, to go to their homes at night wearing electronic monitoring bracelets, at their own expense.

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

A companion bill (SF2195), sponsored by Sen. Leo T. Foley (DFL-Coon Rapids), awaits action in the Senate Crime Prevention and Public Safety Committee.

DEVELOPMENT



Ship those goods

A regional distribution center near the Minneapolis-St. Paul International Airport, capable of handling international freight, could shorten shipping time for Minnesota companies by three to four days and cut costs 15 percent to 20 percent.

Rep. Ron Abrams (R-Minnetonka) is sponsoring HF946, which would designate an international economic development zone within 60 miles and 90 minutes driving time of the airport. The bill was approved April 7 in the House Transportation Finance Committee and referred to the House Taxes Committee.

Qualifying businesses operating in the zone would be exempt from sales, income and property taxes for up to 12 years. A refundable jobs credit would be available for the portion of payroll that exceeds \$30,000 per full-time equivalent.

People who invest in zone businesses would be exempt on their business income from activity in the zone, as well as capital gains taxes on zone investments for a maximum 12 years. The business's primary purpose must be as a freight forwarder or a regional distribution center. A regional distribution center's primary purpose must be to centralize international shipping functions.

Abrams said a likely location for the distribution center would be Rosemount, because of land availability and close proximity to the airport. "It can be a tool for economic development," he said. Under the bill, the zone must be between 500 and 1,000 acres in size.

Many companies that need to ship products to international markets now must truck them to Chicago. With a local center, products would be trucked there and then to the local airport for shipping, Abrams said.

"There's a great economic advantage to

Minnesota businesses to gain future access to international markets for exports and imports,” he said later in an interview.

Steve Anderson, executive director of the Greater Metropolitan Foreign Trade Zone Commission, agreed. “This is precisely the kind of economic opportunity that should be available to our businesses in Minnesota. If the market forces bring it to bear, it’s a good thing.”

A similar provision was in an omnibus tax bill that failed to become law in 2004.

A companion bill (SF895), sponsored by Sen. Ann H. Rest (DFL-New Hope), awaits action in the Senate Finance Committee.

★ EDUCATION

English learners

Older immigrant children would have more time to learn English, under HF1704, sponsored by Rep. Randy Demmer (R-Hayfield).

School districts now receive funding for every qualifying non-English speaking student, but the 2003 Legislature limited the maximum funding period for any student to five years.

The bill would extend funding up to seven years, but not past age 21, for students in grades six through 12. The funding time limit would remain at five years for children in grades one through five.

“The basic idea is younger children can learn quicker and better, and can learn English faster than older children can,” Demmer told the House Education Finance Committee April 11.

Jerry Williams, Rochester School District superintendent, said his district and others have new immigrant and refugee students up to 15 years old who have never attended school. Not only do they not speak English, but also they are illiterate in their native languages. “They want to attend school and become contributing residents of their new country, but to suggest this can happen in five years or less is not possible,” he said.

“Older middle and high school students simply need more time to learn academic English necessary to pass (state) tests.”

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

A companion bill (SF1490), sponsored by Sen. Sheila M. Kiscaden (IP-Rochester), awaits action in the Senate Finance Committee.

Making hazardous crossings safer

School districts would be able to identify hazardous areas where children walk or bike to school and then raise money locally

QUARTER QUEEN



PHOTO BY TOM OLMSCHEID

Pine County Dairy Princess Amy Joy Bengtson passes out the Minnesota State Quarter to students on the front lawn of the Capitol during ceremonies to release the commemorative coin to the public April 12.

through a tax levy to make the areas safer, under HF1434, sponsored by Rep. Denise Dittrich (DFL-Champlin).

The bill creates a process for local school districts to identify hazardous transportation conditions, Dittrich told the House Education Finance Committee April 12.

School boards may appoint a pupil transportation committee that would include bus drivers, school staff, parents and city officials, to develop a comprehensive plan for the safe transportation plan and have at least one public hearing before adopting the plan.

A district could levy annually, up to 20 percent of its total transportation costs, to raise money to alleviate hazards.

This is a huge issue in the Twin Cities metropolitan area where highways cut through many districts, according to Rep. Connie Bernardy (DFL-Fridley). “This bill helps give parents a voice — and parents wanted a voice — and gives school districts a tool to help transfer kids and keep them safe.”

Because of budget cuts, the Anoka-Hennepin School District has reduced busing to what is required by state law — busing students who live two or more miles from their school. This has resulted in 17,000 students no longer being bused and an estimated 7,000 students who face hazardous conditions as they walk or bike to school, according to Tom Heidemann, a member of the Anoka-Hennepin School Board.

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

A companion bill (SF1574), sponsored by Sen. Charles W. “Chuck” Wiger (DFL-North St. Paul), awaits action in the Senate Finance Committee.

‘Take a bite out of crime’

School districts would be able to offer rewards to help solve crimes, under HF834, sponsored by Rep. Denise Dittrich (DFL-Champlin).

“This sends a message to school boards that we appreciate the work they do and we are trying to empower them with all the tools they need to keep our schools safe,” Dittrich told the House Education Policy and Reform Committee April 12.

Under the bill, school boards could choose to offer rewards for accurate and reliable information that leads to the apprehension and arrest of a person who commits a crime against school district property, students, employees, volunteers or school board members.

Kirk Schneidawind, associate director of governmental relations for the Minnesota School Boards Association, said it might also be a small deterrent and help prevent crimes.

The committee approved the bill and referred it to the House Education Finance Committee.

A companion bill (SF1197), sponsored by Sen. Don Betzold (DFL-Fridley), awaits action on the Senate floor.

Sparsity support

The state pays about \$57 million a year to rural school districts to help with transportation costs.

Rep. Doug Magnus (R-Slayton) told the House Education Finance Committee April 11 that a bill he is sponsoring, HF1552, would increase transportation sparsity aid every year.

He initially suggested an annual 10 percent increase, but said he preferred the amendment offered by Rep. Randy Demmer (R-Hayfield) that would tie an aid increase to the mileage reimbursement rate established every year by the Internal Revenue Service.

"I like the idea of taking the transportation sparsity aid and tying it to something transportation-related that relates somewhat to costs," said Demmer. "It makes a lot of sense." He said the IRS mileage reimbursement has increased an average of 3.2 percent per year.

Rep. Jim Davnie (DFL-Mpls) said he is concerned that school districts would just assume they'd be getting more money every year so there would be no incentive to be more cost, fuel or environmentally efficient with transportation.

Demmer disagreed. "Districts will still be as efficient as possible with transportation because every dollar they save there they can put somewhere else."

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

A companion bill (SF1906), sponsored by Sen. Jim Vickerman (DFL-Tracy), has been laid over by the K-12 Education Budget Division of the Senate Finance Committee.

Twin bonding

Wendy Haavisto's children talk in "twin babble" and share the type of bond that multiple birth children often have. So when the Inver Grove Heights family moved to a new house and was going through a lot of changes, the parents wanted Victoria and Nicholas to be in the same first grade classroom.

"They really needed to be together. They relied on each other to get through situations," Haavisto told the House Education Policy and Reform Committee April 12.

Unfortunately, the principal had other ideas. So Haavisto put into motion HF130/SF180* which allows parents more say in whether their twins, or other multiples, are placed in the same classroom.

"This really isn't so much an issue about separate or together but about the rights of parents to do what we believe is best for our children," said Blane Huppert of Woodbury, the father of twin boys.

The bill's sponsor in the House is

Rep. Marty Seifert (R-Marshall), whose wife is a twin, and in the Senate by Sen. Dennis R. Frederickson (R-New Ulm), who is the parent of twins.

Parents of multiples would be required to make a placement request within 14 days of their children starting at a school.

The bill obligates schools to make classroom placements of multiples based on the parent's request. But if multiple-birth children are disruptive in a classroom, a principal could request that the school board determine a new placement for the children after the initial grading period.

"These problems should have been resolved at the local school board level rather than rising to the level of legislation," said Roger Aronson, legal counsel for the Minnesota Elementary School Principals' Association.

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

ELECTIONS



Campaign reporting

Several changes to campaign reporting requirements are proposed in HF1879, sponsored by Rep. Brad Finstad (R-New Ulm).

The bill, recommended to pass by the House Civil Law and Elections Committee April 12 and sent to the House floor, covers recommendations made by the Campaign Finance and Public Disclosure Board, including a requirement that political committees and units file reports electronically when \$15,000 or more

has been raised or spent by the candidate or committee.

Jeanne Olson, executive director of the board, said that this information is now entered manually into a database and it would streamline operations if the information could be downloaded electronically.

Another provision would allow those running for a House or Senate seat in a special election to raise less money than currently required to qualify for a public subsidy. Under current law, the qualifying amount needing to be raised for either the general or special election is \$1,500 for the House and \$3,000 for the Senate.

The bill would reduce that amount for those running in a special election to \$500 for House races and \$1,000 for Senate races.

The companion bill (SF1319), sponsored by Sen. Sharon Marko (DFL-Cottage Grove), awaits action on the Senate floor.

EMPLOYMENT



Pay up

Employers who fail to pay required wages and benefits to migrant workers could face increased penalties, under a bill sponsored by Rep. Karen Clark (DFL-Mpls).

HF1914 would increase from \$250 to \$500 the penalty for employers who fail to comply with the terms of an employment statement provided to a migrant worker and with statutory requirements for the payment of migrant workers. The penalty would also apply to



PHOTO BY ANDREW VONBANK

Migrant worker Victor Contreras, right, testifies through translator Kathryn Gilje, left, before the House Commerce and Financial Institutions Committee April 12 in support of HF1914, a bill that would increase the penalty for employers in violation of migrant worker payment requirements.

employers who fail to pay wages to migrant workers within the time period required by law, such as paychecks every two weeks.

The House Commerce and Financial Institutions Committee approved the bill without opposition April 12 and referred it to the House floor.

Increased penalties would also apply to employers who fail to pay wages on time after employment is terminated. Current law requires a discharged employee who lives away from home while performing the service to be paid within 24 hours.

Employers who don't meet the requirements would be liable for the employee's reasonable expenses for remaining away from home, under the bill. If wages were not paid within three days of termination, the employer would have to pay the employee's average daily wage from the time of termination until payment is made in full, up to 15 days.

The bill would also reduce the time for employers to provide benefits or wage supplements due to employees. Under current law, employers face a criminal misdemeanor if they fail to provide the benefits within 60 days after they're due. Clark's bill would reduce the time period to 30 days.

A companion bill (SF1984), sponsored by Sen. Ellen R. Anderson (DFL-St. Paul), awaits action by the full Senate.

Drug testing pro athletes

Professional athletes in Minnesota could undergo random drug testing for the presence of anabolic steroids, under a bill sponsored by Rep. Larry Hosch (DFL-St. Joseph).

HF1103 would amend Minnesota statutes governing drug and alcohol testing in the workplace to permit employers of professional athletes to request or require random drug testing.

The House Commerce and Financial Institutions Committee amended the bill April 7 to make the drug testing subject to collective bargaining agreements. The committee then approved the bill and referred it to the House floor.

Jerry Bell, president of Twins Sports Inc., the parent company of the Minnesota Twins, supports the bill. He said the proposal would not put Twins' baseball players under different drug testing requirements than players from other teams because the same collective bargaining agreements covering drug testing apply to the entire league.

Hosch said his bill would make Minnesota law consistent with the collective bargaining agreements already in place with professional athletes.

Under current law, employers can only



PHOTO BY ANDREW VONBANK

Minnesota Twins Sports Inc. President Jerry Bell testifies April 7 before the House Commerce and Financial Institutions Committee in support of a bill that would authorize steroid testing for professional athletes.

require drug or alcohol testing for employees on a random selection basis if the employees are working in safety-sensitive positions. These are positions in which drug or alcohol impairment would threaten a person's health or safety.

A companion bill (SF1780), sponsored by Sen. Ann H. Rest (DFL-New Hope), awaits action by the full Senate.

Stay in Minnesota

Minnesota manufacturing employers thinking of leaving the state might stay if they could get their employees' wages subsidized for awhile, believes Rep. Jerry Dempsey (R-Red Wing), and he's sponsoring a bill that would do just that.

HF509 would provide \$2 million in each year of the 2006-07 biennium to the Department of Employment and Economic Development, which would award grants to employers to subsidize the wages and benefits of manufacturing employees. That could occur only if it became apparent that the company couldn't keep the jobs in the state because of a short-term competitive downturn. The subsidy would apply only to manufacturers outside the Twin Cities metropolitan area.

The bill was heard April 11 in the House

Jobs and Economic Opportunity Policy and Finance Committee and held over for possible inclusion in the committee's omnibus bill.

To qualify, the jobs would have to pay at least an annual salary of 110 percent of the federal poverty guidelines for a family of four. Subsidies for hourly wages cannot exceed \$4, and subsidies for benefits cannot exceed \$1 an hour. No grant for a job can last longer than four years.

Grants would be based on the likelihood a job would be retained, effect of job retention and economic viability of the business. If jobs are not filled within six months of the grant, the grant must be repaid.

"Nobody wants to be unemployed," Dempsey said. "If you don't have a job you're not a somebody. I think this particular piece of legislation will help that. We have a large number of businesses that have left the state. I think it's a prudent and good policy that the state can help businesses."

A companion bill (SF526), sponsored by Sen. Steve Murphy (DFL-Red Wing), awaits action in the Senate Finance Committee.

★ ENVIRONMENT

Finding the right Clean Water Fee

A new funding mechanism for the so-called "Clean Water Legacy Act" emerged in the House Agriculture, Environment and Natural Resources Finance Committee.

Sponsored by Rep. Dennis Ozment (R-Rosemount), HF826 aims to achieve and maintain water quality standards for the state's surface waters as required by the federal Clean Water Act.

The committee approved an amendment April 12 that removed the section of the bill containing a fee structure supported by a clean water fee on all service connections to sanitary sewer systems. Further review continued April 13 and the bill was laid over, with Sec. 8, the funding provision, left blank for now.

Ozment presented a new funding proposal that would impose a clean water fee on all improved property (in this case property containing a structure valued at more than \$5,000). Fees would vary by property type — e.g. residential, commercial and industrial — and would be graduated based on market value of the structures.

Ozment said it could be viewed as a "water impact fee" from the structures. "The more concrete, shingles and asphalt you have, the more runoff you have, which creates problems as that flow picks up components and carries them into our streams, rivers and lakes."

Under the proposal, the property tax



PHOTO BY ANDREW VONBANK

Surrounded by samples of water collected from impaired Minnesota lakes and rivers, Marie Zellar from Clean Water Action testifies before the House Agriculture, Environment and Natural Resources Finance Committee April 12 on the Clean Water Legacy Act.

statement would be the collection mechanism and fees would be paid at the same time as property taxes. Estimated totals by property type are as follows:

- Residential class - \$57.52 million;
- Apartment class - \$7.2 million;
- Exempt property class (e.g. churches, schools) - \$2.04 million; and
- Business class - \$12.68 million.

The grand total would amount to an estimated \$79.44 million per year to support clean water activities.

A companion bill (SF762), sponsored by Sen. Dennis R. Frederickson (R-New Ulm), awaits action in the Senate Finance Committee.

Pests and pathogens

Long before Asian long-horned beetles and emerald ash borers came a-creepin', the 1974 Legislature created a shade tree disease control program to combat old school diseases such as Dutch elm and oak wilt.

HF1895, sponsored by Rep. Diane Loeffler (DFL-Mpls), would broaden the definition of shade tree disease under current law to catch up with new threats and give the Department of Agriculture an infusion of fresh cash to fight them.

The House Agriculture and Rural Development Committee approved the measure April 12. It now moves to the House Agriculture, Environment and Natural Resources Finance Committee.

Under the bill, references to disease would be swapped for "pest." A shade tree pest would be defined as "pests or pathogens affecting the growth and life of shade trees." And a specific definition of shade tree would be inserted as "a woody perennial grown primarily for aesthetic or environmental purposes."

Historically, much of the program's efforts were focused on the Twin Cities metropolitan area, but any municipality is eligible. The committee amended a provision relating to grants for pest-infested wood removal and reforestation efforts to reflect a 50:50 split between the metropolitan area and Greater Minnesota. Currently, the ceiling for metro funding is set at 67 percent.

A companion bill (SF1580), sponsored by Sen. Linda Higgins (DFL-Mpls), has been laid over for possible inclusion in an omnibus finance bill by the Environment, Agriculture and Economic Development Budget Division of the Senate Finance Committee.

GOVERNMENT



Data practice violations

Government entities found in violation of the Data Practices Act could be subject to paying substantially higher damages under HF225, the data practices omnibus bill.

Rep. Tom Emmer (R-Delano) successfully proposed the amendment that would raise the

damage award from \$10,000 to \$20,000.

"My amendment is two-fold; it is not just bringing the dollar amount up, but changing the terms of the law from willful violation to violations of the Data Practices Act, period," Emmer told the House Civil Law and Elections Committee April 11. The committee approved the bill, sponsored by Rep. Mary Liz Holberg (R-Lakeville), and sent it to the House floor.

Don Gemberling, former director of the Information Policy Analysis Division of the Administration Department, who has spent many years studying data practice issues, said an enforcement problem now exists, "How the law is enforced is what gives it meaning, and currently you have an enforcement problem." He said that current law makes it easy for government entities not to comply. "I think that anytime you do anything to improve enforcement for Minnesota citizens, you are doing something very positive."

Other provisions in the bill call for:

- designating as nonpublic financial or proprietary data retained by the State Board of Investment in connection with its venture capital, real estate, and resource investments;
- classifying information and accessibility limits for the proposed Comprehensive Incident-Based Reporting System to be operated by the Bureau of Criminal Apprehension and the Department of Public Safety;
- authorizing several more state boards and councils under the jurisdiction of the Department of Employment and Economic Development to meet by telephone or other electronic means; and
- making more information available to parents about daycare providers concerning the number of serious injuries (those treated by a physician) or deaths of children reported to government agencies.

A companion bill (SF361), sponsored by Sen. Wesley J. Skoglund (DFL-Mpls), awaits action on the Senate floor.

Uniform flag patches

Public employers would be prohibited from preventing a peace officer or firefighter from wearing an American flag patch no more than 3 inches by 5 inches, or a pin, under a bill approved by the House 131-0 April 11.

Sponsored by Rep. Ray Vandever (R-Forest Lake), HF241 would also permit a peace officer or firefighter who believes a public employer is violating the provision to request the attorney general to issue an opinion on the issue. The attorney general must issue a written opinion, which is binding, unless a

court makes a contrary decision. The attorney general may bring action in district court to compel compliance by the employer, if the employer continues to violate the law.

The bill now moves to the Senate, where Sen. Mady Reiter (R-Shoreview) is the sponsor.

“The changing politics in some cities have resulted in changing policies with regard to this issue. This would just provide the same policy across Minnesota,” Vandever said.

A number of years ago, patches were removed from the uniforms of St. Paul Police officers “for reasons that aren’t completely clear,” David Titus, president of the St. Paul Police Federation, previously told a House committee.

The flag is a very important symbol to the police officers and it was demoralizing when it was removed, he said. “There are two things that I have saved in my career for my son and my daughter, the first thing was my retired badge ... and the second thing was the 3 x 5 flag that I wore.”

★ HEALTH

★ **Penalty fees bill becomes omnibus**

A bill that would provide penalty fees for practicing certain health occupations without a license has turned into an omnibus bill with the incorporation of several other bills.

HF1161, sponsored by Rep. Thomas Huntley (DFL-Duluth), was approved by the House Health Policy and Finance Committee April 11 and referred to the House Ways and Means Committee.

The bill would impose penalty fees for practicing without a current license in speech language pathology or audiology, occupational therapy, alcohol or drug counseling, or hearing instrument dispensing. The fees would be based on renewal or application fees.

Penalty fees would also be assessed for failure to comply with continuing education requirements.

A companion bill (SF1204), sponsored by Sen. Sheila M. Kiscaden (IP-Rochester), awaits action by the full Senate.

Bills incorporated into Huntley’s bill include:

- HF637, sponsored by Rep. Jim Abeler (R-Anoka), which would modify provisions related to licensed professional counselors;
- HF1112, sponsored by Abeler, which would allow for voluntary licensure of alcohol and drug counselors;
- HF1294, sponsored by Abeler, which would recodify social work statutes;

- HF1594, sponsored by Rep. Kent Eken (DFL-Twin Valley), which would require respiratory therapists to hold licenses in each state in which they practice and meet continuing education and licensure renewal requirements;
- HF1840, sponsored by Abeler, which would modify the information required on a prescription issued by a physician assistant;
- HF1865, sponsored by Abeler, which would modify dental licensure provisions and change the fee structure;
- HF1918, sponsored by Rep. Brad Finstad (R-New Ulm), which would modify provisions relating to physical therapists; and
- HF1935, sponsored by Abeler, which would provide that audiologists do not need to obtain hearing instrument dispenser certification.

Postpartum depression education

When Ellie Zuehlke had thoughts of killing herself and her newborn son, she realized she needed help. She went to see a psychologist, but he didn’t have any experience with postpartum depression.

Zuehlke was eventually able to find the help she needed through references from friends, and she’s since met other women who suffer from the same disorder.

“One thing we all found is how difficult it was to find information on postpartum depression,” she said.

Rep. Mindy Greiling (DFL-Roseville) is sponsoring a bill to change that. HF1491 would require health care professionals who provide prenatal care to educate women and their families about postpartum depression.

The bill would also require health care facilities to provide written information about postpartum depression to new parents. The information would need to include symptoms, methods of coping with the illness and treatment resources, including a hotline.

“Our hope is more women will hear about it and get help,” Greiling told the House Health Policy and Finance Committee April 7. The committee held over the bill for possible inclusion in its omnibus bill.

Greiling said approximately 10 percent of women are affected by postpartum depression, and one in 1,000 women experience postpartum psychosis, a condition in which a woman may inflict harm on herself and her baby.

“Postpartum depression can occur within a few days or months after childbirth,” according to the National Alliance for the Mentally Ill. “What we want is for mothers and fathers to know that postpartum depression exists, that it is important to intervene early and that it is treatable.”

A companion bill (SF1445), sponsored by Sen. Steve Dille (R-Dassel), awaits action in the Senate Finance Committee.

★ HIGHER EDUCATION

★ **Disbursing financial aid**

State financial aid appropriations are currently made to the Higher Education Services Office, (HESO) which then distributes dollars to participating, eligible institutions for grants to students.

That would change under HF504, sponsored by Rep. Lyndon Carlson (DFL-Crystal).

His bill would make the University of Minnesota and the Minnesota State Colleges and Universities system (MnSCU) responsible for administering financial aid to their students. The Minnesota Private College Council would be responsible for financial aid to students at its 17 institutions, and HESO would administer state-funded financial aid to private schools that are not council members.

The bill was held over April 11 by the House Higher Education Finance Committee for possible inclusion in its omnibus bill. A similar provision was not included in the 2003 omnibus bill.

“Basically the system is the same as it has been since the early 1980s, but the student profiles have changed immensely. Now we have many more part-time and non-traditional students,” Carlson said. “The systems have said they’d like to manage their own financial aid programs to better meet the needs of their students.”

Additionally, said Chris Halling, MnSCU director of financial aid, “it is putting some of the onus on us to manage the funds if there is a possibility of a deficit. We know there have been issues with trying to project the spending in this program in the past.”

Peter Zetterberg, director of the university’s Institutional Research and Reporting Office, said the bill would provide flexibility, be more efficient and provide a better connection between tuition and financial aid.

HESO officials spoke against the bill for a number of reasons, including that dollars now go with the student and that method recognizes enrollment changes.

“It’s better to have it in one pot of money so that it follows the student, instead of creating a structure that hogs the money is,” said HESO Director of Financial Aid Cheryl Maplethorpe.

A companion bill (SF173), sponsored by Sen. David J. Tomassoni (DFL-Chisholm), was laid over for possible inclusion in the Senate higher education omnibus bill.

State grant changes

Lack of financial aid availability is a barrier for some students wanting to pursue a postsecondary education.

Rep. Morrie Lanning (R-Moorhead) is sponsoring HF1586 that would change four parameters used to calculate Minnesota state grants.

“Under current law most Minnesota students will end up getting less in state grant aid than they are currently,” he said. “This is due, in part, because the federal Pell Grant eligibility standards have been changed. HESO (Higher Education Services Office) estimates that we’re going to have 50,000 students in Minnesota who are going to lose an average of \$184 through the changes that have rippled down to the state level.”

Although the amount does not seem like much, when combined with tuition increases it becomes a serious issue that needs addressing, Lanning said.

The bill would reduce the student responsibility from 46 percent to 45 percent of costs, and the state and parent’s share would be increased accordingly. It would also return a fifth year of eligibility, which was eliminated in a 2003 budget move.

The bill changes two factors now used when considering a state grant award: the living and miscellaneous allowance would be increased by \$200 to \$5,405, as it was from 2001 to 2003; and tuition and fee caps for four-year institutions would be increased to \$9,477 and \$9,898 in the next two fiscal years, instead of \$8,983, which has been the amount since 2003.

The bill was laid over by the House Higher Education Finance Committee April 11 for possible inclusion in its omnibus bill.

A companion bill (SF1449), sponsored by Sen. Rod Skoe (DFL-Clearbrook), is being considered for inclusion in the Senate omnibus higher education bill.

A fiscal note prepared for the Senate file indicates a state cost of \$26.8 million in fiscal year 2006 and \$34.07 million one year later.

“In concept, the governor supports additional resources for the grant program, but in terms of his budget right now, I don’t know where we would find the additional revenue to pay for this,” said HESO Director Susan Heegaard.

HUMAN SERVICES



Long-term care alternatives

By 2030, one in four Minnesotans is anticipated to be over age 65, and 12 percent over age 85. As the population ages, so will the need for long-term care services.

Rep. Char Samuelson (R-New Brighton)

is sponsoring HF2203, which would implement the recommendations of the bipartisan Long-Term Care Task Force, which met during the second half of 2000 to address the state’s long-term care issues. It released its report in January 2001. The bill would set goals for the state’s long-term care system, require nursing facility bed closures, expand home- and community-based services, provide transitional support grants and provide cost-of-living increases for providers.

“We also need to look, seriously look, at expanding our home programs,” Samuelson told the House Health Policy and Finance Committee April 7.

The bill would require at least 60 percent of state and federal funds for long-term care for the elderly to be allocated to home- and community-based services by 2010.

“No one has said to me, ‘When I get older, I want to live in a nursing home,’” said Barbara Kaufman, president of the Minnesota Senior Federation. Now in her 70s, Kaufman said she’s worried about her future. “Please don’t force me into a nursing home that I don’t want or need.”

The Minnesota Leadership Council on Aging said long-term care alternatives would save money now and in the future.

“The average cost of care at home is \$850/month compared to \$3,500/month for care in a nursing home,” the council said in a written statement.

Rep. Brad Finstad (R-New Ulm) is sponsoring HF1967, which would provide a specific plan for closing nursing facilities and developing alternative services. The bill would, in part, authorize the appropriation of up to \$90 million in bonds to further state goals of ensuring consumer access to older adult services, create an adequate supply of affordable alternatives and provide funding for smaller, state of the art nursing homes.

Both bills were held over for possible inclusion in the committee’s omnibus bill.

A companion bill for Samuelson’s bill (SF2080), sponsored by Sen. Becky Lourey (DFL-Kerrick), and a companion for Finstad’s bill (SF1941), sponsored by Sen. Paul E. Koering (R-Fort Ripley), await action in the Senate Health and Family Security Committee.

Bill would cut work hours

Those receiving help from the Minnesota Family Investment Program (MFIP) have to work 20 hours a week and attend school to stay in the program, but a bill introduced by Rep. Karen Clark (DFL-Mpls) would cut that work requirement in half.

HF1894 was heard April 7 by the House Jobs and Economic Opportunity Policy and

Finance Committee and held over for possible inclusion in the committee’s omnibus bill.

According to its Web site, the program “is the state’s welfare reform program for low-income families with children. MFIP helps families move to work and focuses on helping families. It includes both cash and food assistance.”

Clark said the program’s work requirements, plus the demands placed on single parents by children, often force clients to work three jobs, which hurts their education and their relationship with their children.

“It would help increase access to secondary or postsecondary educational opportunities,” said Karen Kingsley, director of Affirmative Options Coalition, a St. Paul-based organization that tries to create opportunities for low-income people.

Each year of school beyond high school increases clients’ wages, she said. “A balanced approach to education and training works best.”

Rep. Paul Gazelka (R-Brainerd) said there are plenty of families that don’t qualify for MFIP where individuals work more than 20 hours a week and go to college.

Kingsley said, “When they are trying to be a parent, a student and worker, they end up having difficulty. It makes schooling not the primary thing they’re focusing on. They’re not going to be able to find a job without that training.”

Rep. Tim Wilkin (R-Eagan) agreed with Gazelka. “When I was in college I worked 25 hours a week and my grades went up. It helps you focus. Twenty hours is minimal and eminently achievable. I hope this is not included in the omnibus bill.”

Committee Chair Rep. Bob Gunther (R-Fairmont) said, “I worked 30 hours (a week) so I could eat.”

A companion bill (SF1817), sponsored by Sen. Linda Berglin (DFL-Mpls), awaits action in the Senate Finance Committee.

Regulating spending

Rep. Marty Seifert (R-Marshall) said he had heard from grocery and supermarket cashiers in his area, that people on public assistance were using their electronic benefits transfer cards to buy beer and cigarettes.

That doesn’t sit well with Seifert and he is sponsoring HF2358, which would prohibit Minnesota Family Investment Program recipients from using their cash payments to buy alcohol or tobacco products.

The bill was approved April 13 by the House Jobs and Economic Opportunity Policy and Finance Committee and sent to the House Ways and Means Committee. It has no Senate companion.

“This money is to be used for buying diapers and gasoline for their cars,” Seifert said. “We

talk about clothing the naked and feeding the hungry; there's nothing about poisoning the liver and polluting the lungs. My goodness," he said.

Seifert said when people use the cards to buy cigarettes and beer, it undermines the program and erodes public support.

"I'm surprised that we're actually debating this," said Rep. Pat Garofalo (R-Farmington). "The vast majority of recipients aren't going to use this for smokes and booze."

The bill was opposed by Rep. Karen Clark (DFL-Mpls), who said the number of people receiving help who actually use their assistance for cigarettes and beer is negligible, and that the bill perpetuates a stereotype.

Karen Kingsley, director of Affirmative Options Coalition, a St. Paul-based organization that tries to help create opportunities for low-income people, agreed with Clark, saying that it perpetuates the myth that low-income people can't manage money.

"It's the assumption that they're not smart enough to make their own decisions on this. It just galls me," said Rep. Michael Nelson (DFL-Brooklyn Park).

Give them a new chance

Rep. Karen Clark (DFL-Mpls) believes a program that helps low-income young parents train for a job, get help with day care and learn the bus system gives them a better chance of landing a quality job.

She's sponsoring HF1634 that would provide \$280,000 to New Chance. It was heard by the House Jobs and Economic Opportunity Policy and Finance Committee April 13 and held over for possible inclusion in the committee's omnibus bill.

New Chance is part of Resource Inc., a Minneapolis nonprofit organization that helps people find jobs. The program provides help for parents ages 18-26 receiving Minnesota Family Investment Program assistance.

Program Director LaMonique Fairbanks said her clients are primarily high school dropouts and minor parents. "We try to bring in a one-on-one counselor to help people. The need is there. We'd like to enhance our services," she said.

They place 60 percent of their clients into jobs, she said. "We're there to help them through the process. We're there to help them see the big picture of employment. If you don't go through this challenge (being an unemployed single parent), it's hard to do it, and even harder if you don't have people show you."

If the program receives the grant, the program administrator has to make an annual report to the state on the results.

A companion bill (SF769), sponsored by Sen. Linda Berglin (DFL-Mpls), is being considered for possible inclusion in an omnibus bill from the Health, Human Services and Corrections Budget Division of the Senate Finance Committee.

Let's find out

Some believe that people move to Minnesota to take advantage of the liberal public assistance programs. Rep. Marty Seifert (R-Marshall) says that's the prevailing belief in his area, and he wants to get to the facts.

He is sponsoring HF932, which would collect residency information on all new applicants to human services programs, such as Medical Assistance and the Minnesota Family Investment Program, and have that information reported to the Legislature annually.

The bill was heard April 12 by the House Jobs and Economic Opportunity Policy and Finance Committee and held over for possible inclusion in the committee's omnibus bill.

"I think it would be very helpful to the Legislature to have this information," Seifert said.

ELECTRONIC ACCESSIBILITY



PHOTO BY ANDREW VONBANK

Ken Rodgers, president of the American Council of the Blind of Minnesota, listens to testimony on HF1214 during the meeting of the House Regulated Industries Committee April 12. The bill would establish a service to make electronic information accessible to blind and disabled people. Rodgers' 6 1/2-year-old German Shepherd seeing eye dog "Lara" takes a break.

Rep. Karen Clark (DFL-Mpls) questioned Seifert's motives. "Is your goal that people don't deserve this care because they haven't lived here long enough?" she asked.

"My goal is that Minnesota taxpayers take care of Minnesotans," Seifert said. "Fiscal sanity dictates that we can't have thousands and thousands of people moving here."

"It's a constitutional issue," Clark said. "We're attempting to pass residency requirements and we know that's unconstitutional," she said, warning a potential court fight "could cost us millions."

Rep. Fran Bradley (R-Rochester) said the constitutionality issue could be explored further. "I consider this very important. If there are constitutional issues maybe we can address those more formally," he said.

Rep. Anthony "Tony" Sertich (DFL-Chisholm) suggested collecting information on a different subject. "We can have a big fact-finding mission on the impact the last round of budget cuts had on people," he said.

A companion bill (SF1096), sponsored by Sen. Sean R. Nienow (R-Cambridge), awaits action in the Senate Health and Family Security Committee.

HUMANITIES



Humanities commission recognized

During the 2003 legislative session, funding for the Minnesota Humanities Commission was cut, inadvertently removing it from state statutes.

Rep. Barb Sykora (R-Excelsior) sponsors HF1275 that would "just put the language back into the statute," she told the House Governmental Operations and Veterans Affairs Committee April 12, which approved the measure and referred it to the House floor.

A Senate companion (SF877), sponsored by Sen. LeRoy A. Stumpf (DFL-Plummer), awaits action on the Senate floor.

The bill also permits the commission to ensure balance in public education and the state's cultural life through the creation of a humanities center, and to improve humanities education by establishing the Minnesota Institute for Lifelong Learning and Minnesota Institute for the Advancement of Teaching.

A portion of the commission's \$2.6 million operating budget comes as a grant from the National Endowment of the Humanities. "By restoring the humanities statutory authority you recognize the humanities commission as the organization designated by the state of Minnesota to receive these federal funds," said Stanley Romanstein, president of the commission.

The language also helps create public-private partnerships to maintain funding.

A successful amendment, offered by Rep. Phyllis Kahn (DFL-Mpls), calls for the commission to create a "Poet Laureate of the State of Minnesota." The bill directs the commission to make recommendations to the governor, and encourages state agencies and officers "to use the services of the Poet Laureate for appropriate ceremonies and celebrations."

★ INDUSTRY

Certifying crane operators

Crane-related accidents have caused two fatalities in Minnesota within the last six months.

"Cranes are the most dangerous piece of construction equipment in the world," Paul Doran, president of Truck Crane Service, told the House Commerce and Financial Institutions Committee April 12.

In an effort to enhance job site safety regarding cranes, Rep. Tim Mahoney (DFL-St. Paul) is sponsoring HF759, which would require operators of large cranes on construction sites to be certified. The certification would need to be renewed every five years. No certification is currently required.



PHOTO BY ANDREW VONBANK

Joe Herzog, crane operator, testifies before the House Commerce and Financial Institutions Committee April 12 in support of a bill that would require crane operator certification and regulation.

Certification would be needed for people operating cranes with a lifting capacity of 5 tons or more. The National Commission for the Certification of Crane Operations would certify the operators.

Exceptions to the bill would include people being trained by a certified crane operator, certain railroad employees, personal use on one's own land and emergency situations.

People violating the provisions would be subject to a fine of not more than \$500.

The committee approved the bill and referred it to the House floor. A companion bill (SF1485), sponsored by Sen. Dan Sparks (DFL-Austin), awaits action by the full Senate.

"For safety reasons alone, we have long supported legislation for crane certification," the International Union of Operating Engineers said in a written statement. "In order to establish acceptable standards that certify an operator's knowledge, skills and ability, we support this legislation."

Omnibus telecom bill fails

The omnibus telecommunications bill couldn't gain enough support to pass out of the House Regulated Industries Committee April 12.

HF1579, sponsored by Rep. Torrey Westrom (R-Elbow Lake), would require the Public Utilities Commission to establish a fee by July 1, 2006, applying to each telecommunications service provider based on the number of Minnesota telephone numbers in use by the provider's customers. The money would be used to fund the telephone assistance program, which subsidizes phone bills of low-income people; the telecommunications access Minnesota programs, which provide equipment to enable hearing- and sight-impaired people to use phones; and 911 emergency service.

Companies applying for a new authority, such as local or long distance service providers, would be required to submit a fee up to \$2,000, according to the bill. The fee would be determined by the commission and annually reviewed and adjusted.

Another provision in the bill would prohibit a service provider from claiming that 911 service is provided if calls are not routed through the 911 emergency telecommunications system. The provider would be required to disclose in advertisements and contracts that 911 service is not provided.

Service providers would be prohibited from listing a customer's wireless telephone number in a phone directory without express authorization, according to the bill. The customer could not be charged for opting out of the directory.

Under the bill, the city of Alexandria would be allowed to expand its joint venture authority by adding a third potential partner to the current two. If the city obtained authority to provide local service, it would be allowed to enter into a joint venture with the three entities to provide that service.

Successful amendments to the bill would establish an accessible electronic information service for blind and disabled persons, change reporting requirements for service providers and remove the requirement for the creation of a joint legislative taskforce on telecommunications to conduct a study.

Sen. Steve Kelley (DFL-Hopkins) is sponsoring a companion bill (SF1370). It has been approved by two committees and awaits action by the Senate Finance Committee.

★ INSURANCE

Flexible insurance plans

A bill seeking to give small employers flexibility in their health plans was passed April 7 by the House 91-41.

HF588, sponsored by Rep. Tim Wilkin (R-Eagan), would allow companies with two to 50 employees to exclude or modify benefits otherwise required by state law.

Wilkin said Minnesota leads the nation in the number of health insurance mandates with 62. He said he's heard that companies can save between 15 percent and 40 percent by not offering the full slate of mandates, and he said a 20 percent savings is realistic.

The bill could also help the uninsured afford health care insurance, he said.

"The number one concern of small businesses is affordable health coverage," said Rep. Frank Moe (DFL-Bemidji). "This would provide small businesses options they now don't have."

Rep. Mindy Greiling (DFL-Roseville) urged members to vote against the bill, saying the proposal would not require employers to cover critical needs, such as mental health.

She fears the bill would result in people being underinsured. "That's the real erosion here."

A successful amendment dealing with disclosure would set requirements for informing consumers about the coverage they are buying.

The bill now moves to the Senate where Sen. Linda Scheid (DFL-Brooklyn Park) is the sponsor.

Service cooperative coverage

A bill that would allow service cooperatives to provide group health coverage to private employers passed the House 128-2 on April 7.

Rep. Jim Knobloch (R-St. Cloud) is sponsoring HF563, which would allow the cooperatives to create and manage one or more group health coverage pools for private employers. The pools could be fully insured or self-insured.

Calling the bill “truly bipartisan,” Knobloch said it would provide health insurance options to people who aren’t currently insured.

The premise behind the bill is that more health care providers would create competition and drive down the cost of health coverage. The bill would prohibit service cooperatives from covering both public and private employers in the same pool.

The bill now goes to the Senate where it is sponsored by Sen. Dallas C. Sams (DFL-Staples).

★ RETIREMENT

Plan changes

The House Governmental Operations and Veterans Affairs Committee approved a bill April 12 that makes several changes to legislative pensions and retirement plans.

Rep. Steve Smith (R-Mound) sponsors HF2092 that incorporates 28 other bills dealing with pensions and retirement options, including those for legislators, elective state officers, uniform judges, members of the Minnesota State Retirement System, members of the Minneapolis Teachers Retirement Fund Association, members of the Minneapolis Employees Retirement Fund, First Class City Teacher Plans and Minnesota State Colleges and Universities system Individual Retirement Account Plans.

The bill now goes to the House Public Safety Policy and Finance Committee.

A companion bill (SF427), sponsored by Sen. Don Betzold (DFL-Fridley), awaits action by the Senate State and Local Government Operations Committee.

According to a summary by the Legislative Commission on Pensions and Retirement, the bill would:

- change or add definitions of dependent child, constitutional officer, former legislator, member of the Legislature and salary while making technical changes to statutes;
- revise the Minnesota State Colleges and Universities system Individual Retirement Account Plans to not offer all of the State Board of Investment Supplemental Fund investment options;
- extend supplemental retirement plan status to the local laborers pension fund, and increases the maximum employer contribution to trade union supplemental retirement plans from \$2,000 to \$5,000;

- make a financial statement requirement applicable to volunteer firefighter relief associations and requires a report to the state auditor’s office;
- create a task force to study creating a state-wide volunteer firefighter retirement plan; and
- allow the volunteer firefighter plans for Aurora, Biwabik, Hoyt Lakes and Palo to consolidate to pay a smaller pension amount than general law requires, and also allows the Maplewood and Oakdale firefighter plans to enter into an agreement to provide pension portability for six firefighters with service in the two relief associations.

★ SAFETY

Protecting children in cribs

Approximately 240 Minnesota children are injured in baby cribs each year, with some injuries resulting in death.

Rep. Katie Sieben (DFL-Newport) is sponsoring HF987 that would prohibit the sale and commercial use, such as licensed day-care use, of unsafe cribs.

“The purpose of the bill is to make sure safe cribs are used in day-cares,” Sieben told the



PHOTO BY ANDREW VONBANK

Rick Torgerson of Lino Lakes pauses during the House Commerce and Financial Institutions Committee April 7 while testifying in support of a bill that would prohibit the sale and commercial use of cribs that are in violation of certain regulations. Torgerson’s son, Luke, died in April 2000 while in a crib purchased at a garage sale.

House Commerce and Financial Institutions Committee April 7. The bill was approved and referred to the House Jobs and Economic Opportunity Policy and Finance Committee.

“In the last 25 years, 1,100 infants have died in unsafe cribs,” according to The Danny Foundation, a nonprofit organization dedicated to protecting babies from preventable injuries and deaths associated with unsafe cribs. “Annually, more than 11,600 children are hospitalized because of serious injuries sustained in unsafe cribs.”

Rick Torgerson told the committee that a crib in a day-care killed his son five years ago.

“This law can and will allow you to feel safe when leaving (babies) in them,” he said. “It’s hard to explain what it’s like to lose a baby. It’s also hard not to do anything about it.”

The bill would require all licensed child-care providers to maintain documentation of their cribs, including the brand name and license number. Each year, child-care providers would need to check this information against a U.S. Consumer Product Safety Commission Web site listing of unsafe cribs.

Every month, day-care providers would be required to perform safety inspections of their cribs, according to the bill. A delete-all amendment removed civil penalties for violations.

“Every necessary measure should be taken to ensure that the crib is the safest possible environment for a baby,” according to written testimony from the National Association of Resale and Thrift Shops. Thrift shops could be impacted by a provision in the bill that would prohibit selling or reselling unsafe cribs after Jan. 1, 2006.

Sen. Ellen R. Anderson (DFL-St. Paul) is sponsoring a companion bill (SF899), which awaits action by the full Senate.

★ TOURISM

Sesquicentennial planning

Minnesota will be celebrating its 150th anniversary in 2008, and it’s time to begin planning for the celebration.

HF2212, sponsored by Rep. Kathy Tingelstad (R-Andover), would create a sesquicentennial commission, which would plan activities related to Minnesota’s 150th anniversary of statehood.

The bill was heard April 11 by the House Jobs and Economic Opportunity Policy and Finance Committee and held over for possible inclusion in the committee’s omnibus bill.

The commission would have 17 members, nine appointed by the governor, two by the House Speaker and two appointed by the

House Minority Leader. The Senate Subcommittee on Committees would appoint two majority and two minority caucus members.

Members would not be paid, but gubernatorial appointees could be reimbursed for expenses. The bill does not specify an appropriation. The Minnesota Historical Society would provide office space and support.

The committee's duties would be to plan for capital improvements and celebration funding. The committee would also arrange for the production of a commemorative coin, with proceeds going to the commission.

"The commission is just a good way to get started with the heavy lifting and the work that needs to be done," said Pat McCormack, deputy director of the historical society.

Committee Chair Rep. Bob Gunther (R-Fairmont) agreed. "I think the commission will have a big job ahead of them and we should probably get started."

A companion bill (SF2011), sponsored by Sen. Ann. H. Rest (DFL-New Hope), awaits action in the Senate Finance Committee.

★ TRANSPORTATION

Weight limits

A law that allows recycling and garbage trucks to exceed certain seasonal weight limits was set to expire July 1, 2005. A bill (HF1189), sponsored by Rep. Ron Erhardt (R-Edina), that would indefinitely extend the law's sunset date was passed by the House 117-12 April 11.

The law says that recycling vehicles and vehicles collecting mixed solid waste are allowed to exceed seasonal weight limits if the axle weight does not exceed 14,000 pounds.

Law enforcement is permitted, under the bill, to impose a civil penalty on garbage and recycling truck drivers violating weight restrictions.

The Department of Transportation and the Center for Transportation Studies at the University of Minnesota were to have finished a study on road wear and weight restrictions, but those studies aren't completed, Erhardt said, so the law should remain in effect.

Garbage companies favor the law, but city engineers and county representatives oppose it, fearing the continued use could further damage roads.

The bill now moves to the Senate, where Sen. William V. Belanger Jr. (R-Bloomington) is the sponsor.

MINORITY VETERANS



PHOTO BY TOM OLMSCHIED

Veterans, from top, Michael Gates, Jimmy L. Collier and Clarence Hilliard came to the House State Government Finance Committee April 12 to support a bill that would establish a minority veterans outreach program.

★ VETERANS

May to honor veterans

May is designated as "Hire a Veteran Month" under a new law signed by the governor April 14.

**Signed
by
the
governor
★ ★ ★**

HF1240/SF1254*/CH22 is sponsored by Rep. Dan Severson (R-Sauk Rapids) and Sen. Betsy L. Wergin (R-Princeton), and is effective April 15.

The law is, "in honor of the more than 48,000,000 citizen soldiers who, as of Jan. 1, 2005, have served in the United States Armed Forces, of whom over 1.5 million have been wounded and over 1 million more have made the ultimate sacrifice by giving their lives for their country."

The law is "an important part of Minnesota's move toward being friendlier to those who have given so much to our country," Severson said on the House floor. The legislation was prompted by

a piece of correspondence from an educational organization that detailed how schools could keep from rehiring teachers who were called to active duty and returned, he added.

Under the new law, the governor is to annually issue a proclamation honoring this observance, in order to urge all public and private employers to give fair and appropriate consideration to veterans in their hiring decisions.

Minnesota State Agencies

(Area code 651)

Administration	296-8261
Agriculture	297-2200
Toll-Free	1-800-967-2474
Commerce	296-4026
Corrections	642-0200
Education	582-8200
Employment and Economic Development	296-3711
Toll-Free	1-888-GET-JOBS
Employee Relations	297-1184
Job Information Hotline	296-2616
Explore Minnesota Tourism	296-5029
Toll-Free	1-800-657-3700
Finance	296-5900
Health	215-5800
Housing Finance	296-7608
Toll-Free	1-800-657-3769
Human Rights	296-5663
Toll-Free	1-800-657-3704
Human Services	297-3933
Labor and Industry	284-5000
Toll-Free	1-800-342-5354
Military Affairs	268-8925
Natural Resources	296-6157
Toll-Free	1-888-646-6367
Pollution Control Agency	296-6300
Toll-Free	1-800-657-3864
Public Safety	282-6565
Driver and Vehicle Services	296-6911
Fire Marshal	215-0500
Alcohol and Gambling Enforcement Division	296-6979
State Patrol	282-6871
Div. of Homeland Security and Emergency Management	296-0466
Revenue Income Tax Helpline	296-3781
Transportation	296-3000
Toll-Free	1-800-657-3774
Veterans Affairs	296-2562

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A contingency plan Committee targets set, with or without gaming

By NICOLE WOOD

After working from the governor's budget recommendations for the past few months, and with a certain degree of uncertainty over their spending ceilings, House committees now have concrete numbers to use in crafting omnibus finance and revenue bills.

With one caveat, that is.

Under the committee budget resolution (HR8) adopted by the House April 13, there are two alternatives and the ultimate targets hinge upon a potential \$210 million or so that gaming could bring the state. The vote was 68-66.

The resolution sets forth two different scenarios, Option A and Option B, contingent upon the passage of a Racino or Racino/casino hybrid proposal that may or may not come to fruition under HF1664, sponsored by Rep. Mark Buesgens (R-Jordan).

"I think that this budget resolution is a very open and honest budget resolution in addressing the uncertainty that exists in terms of whether gaming revenues will be available or not," said resolution sponsor Rep. Jim Knoblach (R-St. Cloud).

HF1664 is currently drafted as a Racino proposal, Knoblach explained, but amendments could incorporate an agreement with American Indian tribes or other ideas.

Buesgens, however, said he would not support those amendments. "It is not my intention on HF1664 to morph it into anything but the Racino bill," he said.

Under HR8, the targets plus debt service and other calculations add up to the \$29.84 billion maximum limit on General Fund expenditures for fiscal years 2006-07 previously adopted by the House in a separate budget resolution (HR6).

Rep. Doug Meslow (R-White Bear Lake) successfully amended HR8 to transfer \$18 million into the education category for early childhood education funding. In doing so, the state government finance target was

decreased by \$13 million and another \$5 million was depleted from a category that accounts for claims against the state and "other" spending.

Rep. Marty Seifert (R-Marshall), chair of the House State Government Finance Committee, said National Guard spending would be held harmless, but the committee would have to take a second look at areas of the budget such as real estate management and the governor's faith-based initiatives.

The table below identifies the specific targets set by HR8.

Three committees received targets that fall below the governor's recommendations. The Jobs and Economic Opportunity category drops \$72 million below the governor's proposal under Option A, or \$57 million below under Option B.

Federal dollars not considered by the governor will make up some of the difference, Knoblach said.

The Environment category drops either \$14.4 million or \$3 million and, with the adoption of the Meslow amendment, the State Government finance area is \$14 million below the governor's proposal under either option.

Though the floor contest lasted approximately three hours, the debate began the night

Watch the debates on the House Web site:

House Ways and Means Committee, April 12
http://www.house.leg.state.mn.us/htv/archivesCOM.asp?ls_year=84

House floor session, April 13
http://ww3.house.leg.state.mn.us/htv/archivesall.asp?ls_year=84

before with three hours of deliberations in the House Ways and Means Committee.


The decision to send forth two options from the committee was met with opposition, both from a process viewpoint and because of the gambling reliance of Option B.

"I might want to vote yes for one option and no to another," said Rep. Loren Solberg (DFL-Grand Rapids). "I think you're putting members in a difficult position."

A side debate developed regarding whether, under the state constitution, 40 percent of gaming proceeds under the Buesgens bill would be directed to the Environmental Trust Fund.

"I think the proposal you are carrying right now is illegal," said Rep. Jean Wagenius (DFL-Mpls).

An amendment offered by Rep. Dan Dorman (R-Albert Lea) that would have eliminated Option B failed to gain committee approval.

Amendments offered by Rep. Lyndon Carlson (DFL-Crystal), Rep. Tom Rukavina (DFL-Virginia) and Rep. Thomas Huntley (DFL-Duluth) to alter the first House budget target resolution (HR6) and then direct those dollars in HR8 toward education, aid to local governments and health care coverage, respectively, also failed. The three amendments prompted a dispute over the committee procedures, under the Permanent Rules of the House, of amending House budget resolutions and when and if approval by the full House would be necessary. 

The resolution sets the following targets under major spending categories for fiscal years 2006-07:

Category	Option A	Option B
Education	\$12.42 billion	\$12.56 billion;
Higher Education	\$2.75 billion	\$2.78 billion
Taxes	\$2.81 billion	\$2.6 billion
Health	\$7.31 billion	\$7.33 billion
Jobs and Economic Opportunity	\$1.07 billion	\$1.09 billion
Environment	\$274.48 million	\$285.88 million
Public Safety	\$1.66 billion	\$1.66 billion

(figures only appear identical when decimal places are rounded up).

Three finance targets would remain the same under either option:

- Agriculture - \$85.83 million;**
- State Government - \$476.04 million; and**
- Transportation - \$146.82 million.**

For more information about the House rules and budget targets see page 20

Border battles

Annexation pits cities vs. townships

By PATTY JANOVEC

While driving through Chisago County, a motorist might notice bright yellow signs along the roadside reading, “NO HOSTILE ANNEXATION.” It is just one of the areas in the state dealing with the issues of cities and townships making boundary adjustments.

Contentions have become so high on the topic of annexation that the Legislature required representatives of cities and townships to attend five mediation meetings in 2004. “Although the parties agree that their discussions were useful, there was not complete resolution ... major policy issues remain,” according to a letter from Aimee Gourlay, mediator with the Mediation Center for Dispute Resolution.

Many issues keep the two entities at odds and have been aired this session in the House Local Government Committee.

Urban vs. suburban

City representatives want the terms “urban” and “suburban” defined with specific factors by the Legislature. In considering the density and types of a development, and whether a property is divided, they believe it would help define the roles of cities and townships to make annexation decisions easier through laws.

Township representatives say defining the terms is needless, because the real issues are about what city services are needed for an area to be annexed and how those can best be provided. They say that many times cities will want to annex an area believing they can provide better services such as wastewater treatment, but townships say they can provide just as good of service.

Undeveloped land

Cities say annexation is needed for undeveloped lands “for zoning and subdivision control so they can control their destiny and accommodate development as it comes in,” said Kari Thurlow, a lobbyist for the Coalition of Greater Minnesota Cities.

Ineffective annexation impedes growth and development for cities causing additional

costs when townships or residents want to be annexed.

Many times cities want to annex lands without any sort of plan in mind. An annexation should occur only if there is a true need, Kent Sulem, attorney for the Minnesota Association of Townships said. Also, those issues could be addressed as part of a planning process by joint planning boards, a township report says.

Growth and planning

“Cities, oftentimes, are required to extend city services, but they have no ability to control the zoning and subdivision regulations outside the city to control their own growth ... so services are extended before the development occurs,” said Thurlow.

“All portions of an annexed property may not have the same need for the same service on the same timeline,” added Craig Johnson, intergovernmental relations representative for the League of Minnesota Cities. “It could very well be that there is a part ... that has adequate sewer ... the long term will be to provide sewer and water to that area, but in the short term there’s a new area developing that will need it immediately.”

“The cities are using annexation as a very large planning club, club meaning something you can hit the townships with. Annexation should be about property coming into the city for needed services,” said Michael Couri, a lobbyist for the Local Government Alliance.

Townships view it as a jurisdictional issue in saying, “We’re the local government. This is what our people want. The cities view it as a planning issue,” he added.

Contested cases

The “threat issue” of legal fees and hearing costs from contested annexation cases is one many townships simply cannot afford, said Couri.

“We will tell the client straight out ... under the current administrative law judge system they have largely gone for the city in large chunks of property,” and many times a case doesn’t get filed because of the cost and history of rulings in the past.

Bills introduced this session dealing with annexation include:

- HF1971, sponsored by Rep. Peter Nelson (R-Lindstrom), would require cities to provide the proposed boundaries for a growth area, copies of documentation used to determine the size and location of the proposed area, an outline of the city’s plan to provide municipal services to all property annexed for the area, and the city would be required to state the intended use of land to be annexed.
- HF2060, sponsored by Rep. Tina Liebling (DFL-Rochester), would create a land use council to monitor the state’s annexation issues, strike current language of cities being able to annex 60 acres or less, change public hearing procedures and require cities to update land use plans according to the addition of the proposed annexed land.
- HF2061, sponsored by Rep. Morrie Lanning (R-Moorhead), would limit developments by townships and designate city regulations to prevail over town regulations in certain cases if there was a conflict.

Within the first three paragraphs of a ruling, a judge will cite language from current statute saying the Legislature finds that cities are better at delivering municipal services and townships are better at administering rural residential property, thus deciding in favor of cities in most cases, he explained. The burden of proof isn’t enforced in many cases as well.

Thurlow disagrees.

“The fact that cities are succeeding in contested annexations most of the time I think would speak that they are bringing very justifiable cases,” she said.

Mediation results

The deal breaker in mediation for townships was alternatives to contested case proceedings because it impacted how they would have to negotiate everything else, said Sulem.

Current contested case proceedings are based on a number of problems: a faulty presumption of the definitions of urban versus rural, criteria that are less than clear and less than uniformly applied, and the excessive costs of going through the process with the likelihood of succeeding nearly nil, he added.

“Cities are primarily concerned with taking away incentives for sprawl, and not creating anymore incentives for that,” Thurlow said, adding that is a difficult issue to work out.

Mercury free vaccinations

Correlation between mercury and autism raises concerns

By **BRETT MARTIN**

Christine Loose of New Prague thinks a vaccine that contained mercury could be responsible for her youngest son's autism. Brady was diagnosed with the developmental disability six years ago at the age of 2.

"If we regulate and recommend against mercury in the fish we eat, the air we breathe and the water we drink, it seems logical to do the same with vaccines that we are injecting into our bloodstreams," Loose said. "The fact that we are currently recommending or requiring vaccines with mercury when there are alternatives is beyond my comprehension."

Concerns such as Loose's, that vaccines containing mercury may cause neurological disorders, most notably autism, has prompted a bill that would require the use of mercury-free vaccines when available.

"This bill is about creating further confidence and public trust in our immunization program in Minnesota," said Rep. Laura Brod (R-New Prague), sponsor of HF1505.

The bill would prohibit vaccines administered in Minnesota from containing mercury or a mercury compound, including thimerosal, unless a mercury-free vaccine is not available.

Thimerosal is an organic mercury-based preservative used in some vaccines, including some influenza vaccines.

A new law enacted last year directs the health commissioner to encourage health care providers to use thimerosal-free vaccines when available, but does not mandate its usage.

The House Health Policy and Finance Committee held an informational hearing on the bill April 5, but didn't take any action. A companion bill (SF639), sponsored by Sen. Becky Lourey (DFL-Kerrick), has been tabled by the Senate Health and Family Security Committee.

In written testimony, the National

Autism Association expressed support for the bill, saying, "Along with a growing number of researchers, we believe that exposure to mercury through increased use of thimerosal-containing vaccines in the 1990s has led to a public health crises surpassing all others in our nation's history in scope and severity."

Dr. Jeff Schiff, president of the Minnesota Medical Association, opposed the bill, citing a lack of scientific evidence that thimerosal in

vaccines causes autism.

"There's nothing to be gained by passing this legislation," he said, adding that the bill would raise unwarranted fears in parents about vaccines.

The March of Dimes opposes the bill on the premise that it would restrict access to vaccines. In a letter to the committee, State Director Bob Gustafson pointed out that because of vaccines, preventable diseases have been reduced by 92 percent or more from 20th century highs.

"The benefits of vaccination far outweigh the risks," Gustafson wrote. "Immunizations are extremely safe thanks to advancements in medical research and ongoing review by doctors, researchers and public officials."

According to the Department of Health, since 2001 all routinely recommended vaccines made for young children in the United States contain no thimerosal or only trace amounts. The department said there is no convincing evidence of harm caused by small amounts of thimerosal in vaccines, except minor reactions at the injection site.

Studies showing that mercury can cause brain and kidney damage are based on research of methyl mercury, which is found in foods, not on ethyl mercury, which is found in medical products, according to the Minnesota Medical Association.

But not everyone is convinced.

"Many consumers are aware of the toxicity of mercury and do not wish to have a vaccine containing mercury," according to the Minnesota Natural Health Legal Reform Project. "Without this legislation, thousands of Minnesotans may still receive large amounts of mercury in their flu vaccines and tetanus vaccines, and thousands of children will still receive trace amounts of mercury in their routine immunizations."

Vaccinating a child using mercury-free vaccines is less expensive than using those containing mercury, according to the project. Savings are estimated at more than \$14 per child by using vaccines without mercury.

Iowa and California have

Continued on page 20



PHOTO BY ANDREW VONBANK

Jennifer VanDerHorst-Larson, parent of an autistic child, testifies April 5 before the House Health Policy and Finance Committee in support of a bill that would prohibit vaccines containing mercury or mercury compounds when a mercury-free alternative is available.

Select provisions under House rules governing budget resolutions

4.03 WAYS AND MEANS COMMITTEE; BUDGET RESOLUTION; EFFECT ON EXPENDITURE AND REVENUE BILLS.

(b) Within 20 days after the last state general fund revenue and expenditure forecast for the next fiscal biennium becomes available during the regular session in the odd-numbered year, the Committee on Ways and Means must adopt and report a budget resolution, in the form of a House resolution. The budget resolution must set: (a) the maximum limit on net expenditures for the next fiscal biennium for the general fund, excluding any increased expenditures for tax reduction and relief; and (b) an amount or amounts to be set aside as a budget reserve and a cash flow account. The House budget resolution must not specify, limit, or prescribe revenues or expenditures by any category other than those specified in clauses (a) and (b). After the House adopts the budget resolution, the limits in the resolution are effective during the regular session in the year in which the resolution is adopted, unless the resolution is amended according to the process specified in paragraph (f).

(d) In the odd-numbered year, within 14 days after the House adopts a budget resolution, the Committee must adopt and report a resolution setting limits for each budget category represented by the major finance and revenue bills identified in paragraph (i). The Committee may also, in a resolution, set limits for funds other than the general fund. After the House adopts the resolution, the limits in the resolution are the maximums effective during the regular session in the year in which the resolution is adopted, unless the Committee or the House subsequently adopts different or amended limits for the same fiscal biennium according to the process specified in paragraph (f).

(f) After the House adopts a budget resolution or a resolution setting limits, the Committee on Ways and Means may amend the resolution. If the Committee amends a resolution, that amendment must be reported to the House by the Chair of the Committee and printed in the House Journal. On the next day the House is in session, under the order of Motions and

Resolutions, a member may make a motion to reject the amendment to a resolution made by the Ways and Means Committee. If that motion prevails, the amendment is rejected. If no motion is made or a motion is made and does not prevail, the amendment made by the Ways and Means Committee is adopted. The House may not amend a report of the Committee on Ways and Means under this paragraph. It is not in order to give notice of intent to reconsider at a later time or move to reconsider on a later day the motion to reject the amendment of the Committee on Ways and Means under this paragraph. After the Chair of the Committee on Ways and Means reports an amendment to limits under this paragraph, the Committee may not report a bill affected by the proposed amendment to the limits until the time has passed for the House to act under this paragraph. The limits for a bill that has already been given its second reading are not subject to amendment unless that bill is re-referred to a committee.


Continued from page 19

already eliminated mercury from their vaccines, and 14 other states are considering similar legislation, according to the reform project. England, Russia, Japan and Canada are among countries that have also banned mercury from vaccines.

According to a letter by a dozen health care organizations, including the Mayo Clinic and the Minnesota Academy of Family Physicians, the bill would perpetuate false and misleading information, add more complexity to the vaccine delivery system, raise costs for vaccines and lead to ongoing vaccine shortages.

Of the several vaccines given to children, including the influenza vaccine, only a small portion of the total supply is available in thimerosal-reduced or thimerosal-free formulations, the letter stated.

Brod recognized the complexity of the issue, saying she expected the bill to draw a spirited debate. She said while the cause and effect relationship between mercury and autism may not be scientifically clear, the autism problem is.

“What is clear is that there is an autistic epidemic that is facing our communities and more specifically, facing these parents,” Brod said. 

VOICING CONCERNS



PHOTO BY SARAH STACKE

Muslims from around the metro area gathered at the State Capitol on April 13 for the first Muslim Day at the Capitol. The rally was organized to voice concerns that are shared by the local Muslim community related to civil liberties, public education, the welcoming of new Minnesotans and gambling.



Visiting the Minnesota State Capitol complex can be a rewarding and educational experience for everyone. There are buildings to explore and tours to take almost any time you choose to visit. And when the Legislature is in session during the first part of every year, there are floor sessions to observe, committee meetings to attend and legislators to meet. Remember that this is your State Capitol, and you are always welcome.

How to get here

Location

The Capitol complex is north of I-94, just minutes from downtown St. Paul. It is accessible from the east and west on I-94, and from the north and south on I-35E.

I-94 eastbound: Exit at Marion Street. Turn left. Go to Aurora Avenue and turn right. Go nearly one block and enter Parking Lot AA on the left just before Rice Street.

I-94 westbound: Exit at Marion Street. Turn right. Go to Aurora Avenue and turn right. Go nearly one block and enter Parking Lot AA on the left just before Rice Street.

I-35E northbound: Exit at Kellogg Boulevard. Turn left. Go to John Ireland Boulevard and turn right. Metered parking spaces line both sides of the boulevard.

I-35E southbound: Exit at University Avenue. Turn right. Go to Rice Street and turn left. Go one block, turn right on Aurora Avenue and enter Parking Lot AA.

Parking

Public metered parking is available in Lot Q, north of the Capitol at Cedar Street and Sherburne Avenue; Lot AA, across Rice Street from the State Office Building on Aurora Avenue; Lot F, directly behind the Transportation Building; Lot K, across from the Armory on Cedar Street (enter from 12th Street); and on the orange level of the Centennial Office Building Ramp at Cedar Street and Rev. Dr. Martin Luther King Jr. Blvd. All-day metered parking is available in Lot Q. Capitol Security personnel will issue tickets for expired meters.

All-day parking permits may be purchased for \$4 from Plant Management on the ground floor of the Administration Building at 50 Sherburne Ave., north of the Capitol, across University Avenue. Cash or checks are accepted and correct change is appreciated. For more information, call (651) 297-3993.

Outdoor disability parking is available in Lot N, which is on the northwest side of the Capitol, and in Lot F. One spot is available in Lot AA.

The main disability entrance to the Capitol is on the northwest side of the building,

just off Lot N; there also are drop-off entrances on the south side under the front steps and on the northeast side of the building.

Since parking is limited during legislative sessions, busing may be easier. Freeway express bus service is available. Bus number 94B takes you to the Capitol and the State Office Building. Call the Transit Information Center at (612) 373-3333 for schedule and route information.

What to do

Tours

Tours of the Capitol are offered through the Capitol Historic Site Program of the Minnesota Historical Society.

Tour guides lead the 45-minute tours on the hour Mondays through Fridays between 9 a.m. and 4 p.m. (last tour leaves at 3 p.m.); Saturdays between 10 a.m. and 3 p.m. (last tour leaves at 2 p.m.); and Sundays between 1 p.m. and 4 p.m. (last tour leaves at 3 p.m.). The tours begin at the Capitol's information desk at the end of the corridor to the right of the main entrance. Brochures in about 20 foreign languages also are available there.

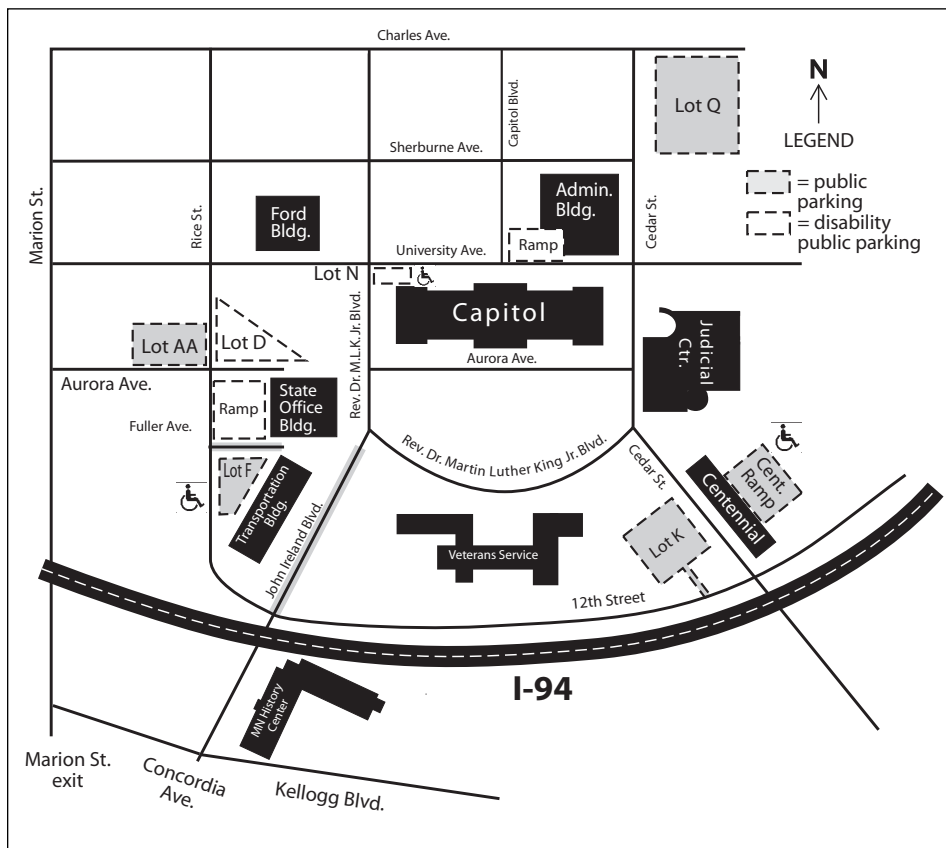
Tour rates vary. Generally, 45-minute tours for drop-in visitors to the Capitol are free of charge.

Historical society officials ask that groups of 10 or more call at least two weeks in advance to reserve a tour time.

The society offers a number of specialized tours for educational groups ranging from preschool students to high school seniors. Admission for 45-minute educational group tours is \$2 per person. Tour participants may request customized tours that emphasize topics such as architecture, women's history, or the Civil War. During the legislative session, the society offers "Voice of the People: Your Role in Minnesota Government," a three-hour session for students in grades 9-12. Admission for the lengthier, focused educational group tours is \$4 per person.

Also, special tour events are scheduled throughout the year. Themes include "Art and Artists of the State Capitol" and "Shadows and Spirits of the State Capitol." Some of these events require admission fees; others are free. A special events guide is available upon request.

For more information about the tours and fee structure, or to make a reservation, call the Capitol Historic Site Program, (651) 296-2881.



Monday, April 11

HF2381—Hackbarth (R)
Environment & Natural Resources
 Sales tax portion dedicated to water resource purposes, clean water fund and Clean Waters Council established and constitutional amendment proposed.

HF2382—Urdahl (R)
Agriculture & Rural Development
 Feedlots; a memorial resolution asking the residents of Minnesota for tolerance of different views of livestock production and ending the feedlot war in Minnesota.

HF2383—Seifert (R)
Education Finance
 Alternative secondary sparsity calculation created relating to education finance.

HF2384—Demmer (R)
Transportation
 School bus driver's license verification required by June 30 of each year.

HF2385—Davnie (DFL)
Taxes
 Low-income apartment property tax class established and market value of low-income apartment property restricted based on actual rent.

HF2386—Davnie (DFL)
Taxes
 Low-income apartment property tax class established and market value restricted based on actual rent.

HF2387—Abeler (R)
Taxes
 Ramsey; tax increment financing district authorized to provide housing for elderly and disabled persons.

HF2388—Powell (R)
Health Policy & Finance
 Gender reassignment surgery coverage removed from state health care programs.

HF2389—Powell (R)
Health Policy & Finance
 Psychology Practices Act modified and licensed psychological practitioner licensure phased out.

HF2390—Abeler (R)
Health Policy & Finance
 Circumcision for newborns Medical Assistance coverage prohibited except in cases of medical or religious necessity.

HF2391—Atkins (DFL)
Health Policy & Finance
 Clean sports act adopted requiring drug testing programs for players in sports facilities receiving state funding.

HF2392—Eken (DFL)
Education Policy & Reform
 Domestic abuse and harassment training required for peace officers, teachers and school administrators.

HF2393—Kohls (R)
Taxes
 Flea market and other occasional sellers exempted from the sales tax.

HF2394—Emmer (R)
Health Policy & Finance
 MinnesotaCare eligibility determination procedures and criteria modified and MinnesotaCare premium surcharge and enrollee accounts established.

HF2395—Mullery (DFL)
Taxes
 Low-income apartment property tax class reestablished.

HF2396—Paymar (DFL)
Governmental Operations & Veterans Affairs
 State purchasing preference authorized for vehicles manufactured in Minnesota.

HF2397—Simon (DFL)
Education Policy & Reform
 Full-day kindergarten authorized, state aid provided, sliding scale fee for full-day kindergarten provided and money appropriated.

HF2398—Dittrich (DFL)
Education Finance
 School funding formula equalizing factors indexed to the growth in tax base.

HF2399—Blaine (R)
Commerce & Financial Institutions
 Consumer credit reporting agencies regulated; and inspection and disclosure of credit reporting agency files and information provided.

HF2400—Blaine (R)
Commerce & Financial Institutions
 Credit reports provided free of charge to victims of identity theft.

HF2401—Hilstrom (DFL)
Public Safety Policy & Finance
 Sentencing Guidelines Commission recommendations adopted and rejected.

HF2402—Mahoney (DFL)
Jobs & Economic Opportunity Policy & Finance
 Bioscience marketing activities funding provided and money appropriated.

HF2403—Abeler (R)
Health Policy & Finance
 Dental health program funding provided and money appropriated.

HF2404—Abeler (R)
Health Policy & Finance
 Suicide prevention program funding provided and money appropriated.

HF2405—Nornes (R)
Health Policy & Finance
 Otter Tail County nursing facility reimbursement rate increased.

Wednesday, April 13

HF2406—Seifert (R)
Taxes
 Aircraft and aerial surveying equipment sales tax exemption provided for equipment used in a job opportunity building zone.

HF2407—Abrams (R)
Taxes
 Metropolitan area transit and para-transit capital expenditures financing provided and Hiawatha light rail transit line bond restrictions clarified.

HF2408—Finstad (R)
Education Finance
 School district salary differential reimbursement aid provided and money appropriated.

HF2409—Finstad (R)
State Government Finance
 Minnesota Public Radio funding provided and money appropriated.

HF2410—Greiling (DFL)
Governmental Operations & Veterans Affairs
 School administrators' retirement option provided to elect defined contribution plan coverage and Teacher Retirement Association authorized to enter into cooperative agreements with other states.

HF2411—Marquart (DFL)
Regulated Industries
 Breckenridge on-sale liquor license authorized.

HF2412—Huntley (DFL)
Health Policy & Finance
 Community mental health centers and clinics reimbursement rates increased.

HF2413—Ellison (DFL)
Taxes
 Electric generating facility construction materials personal property tax and sales tax exemptions provided.

HF2414—Sykora (R)
Education Finance
 Statewide student information and reporting system created and money appropriated.

HF2415—Latz (DFL)
Taxes
 Tax court transcripts payment by movants required.

HF2416—Huntley (DFL)
Health Policy & Finance
 Hospital payment and population adjustments provided, surcharge on criminal and traffic offenders increased and money appropriated.

HF2417—Garofalo (R)
Jobs & Economic Opportunity Policy & Finance
 Minnesota Historical Society prohibited from charging fees for tours of the State Capitol.

HF2418—Anderson, B. (R)
Public Safety Policy & Finance
 Drug paraphernalia crime modified to address mental state requirement, address sales of paraphernalia and consolidate into single statutory section; local sales restrictions authorized; and public nuisance and possession crimes defined.

HF2419—Sertich (DFL)
Regulated Industries
 Biomass-fueled community energy systems funding provided and money appropriated.

HF2420—Seifert (R)
Local Government
 Office of Strategic and Long Range Planning transfer to Department of Administration codified, forward pricing for energy purchases authorized, Small Business Procurement Advisory Council reinstated and money appropriated.

HF2421—Heidgerken (R)
Education Finance
 School district equity revenue increased for districts with low levels of referendum revenue per pupil unit.

Thursday, April 14

HF2422—Gunther (R)

Health Policy and Finance
Counties of Martin and Faribault nursing facility rate increases provided.

HF2423—Hornstein (DFL)

Jobs and Economic Opportunity Policy and Finance

Music industry fund established, music industry grants and support services provided, and money appropriated.

HF2424—Cornish (R)

Civil Law and Elections
Minnesota Citizens' Personal Protection Act of 2003 reenacted.

HF2425—Finstad (R)

Local Government

Stadium development process provided for use of the Minnesota Twins baseball team, metropolitan stadium authority established, Metropolitan Council authorized to issue bonds, and powers of the host communities provided.

HF2426—Jaros (DFL)

Civil Law and Elections

Gift ban exception modified to eliminate requirement of making a speech as part of a program.

HF2427—Gunther (R)

Jobs and Economic Opportunity Policy and Finance

Rental housing assistance provided and money appropriated.

HF2428—Howes (R)

Civil Law and Elections

Minnesota Citizens' Personal Protection Act of 2003 reenacted.

HF2429—Simpson (R)

Taxes

Explore Minnesota Tourism tax credit provided, Revenue Department report required, and money appropriated.

HF2430—Ellison (DFL)

Education Finance

Quantum opportunities program funding provided and money appropriated.

HF2431—Paulsen (R)

Environment and Natural Resources

Computer—assisted remote hunting prohibited.

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LAWS AND SAUSAGES



PHOTO BY TOM OLMSCHIED

There's an old saying that is widely attributed to Otto Von Bismarck, 1st Chancellor of the German Empire (1871-1890) that says, "If you like laws and sausages, you should never watch either one being made." In the House Taxes Committee April 12, members dined on sausages and reviewed bills that could eventually turn into laws as Rep. Peter Nelson (R-Lindstrom) presented his bill on ready-to-eat meat and seafood. Nelson is asking to have ready-to-eat meats that are produced and sold on-site exempted from sales tax.

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

MINNESOTA INDEX

Tax deadline

Percent of state operating funds for the 2004-05 biennium coming from taxes	64
Percent of the total coming from income taxes.....	41
Percent from sales tax	30
Percent from corporate tax.....	5
Percent from state property tax.....	4
Minimum wage required in 2004 for a single Minnesotan, under age 65, to file a tax return	\$7,950
Amount in 1994	\$6,250
Years a person must file within from the regular due date to receive a refund.....	3.5
Percent of unpaid tax assessed as a penalty if a return is not filed by Oct. 15.....	5
Percent prior to 2001	10
Interest rate in 2005 on delinquent sales and use taxes.....	4
Interest rate on refunds.....	4
Billions in state taxes collected in Minnesota in 2004	\$15.04
Billions in 2003	\$13.98
Billions in 2002	\$12.95
State and local taxes collected in 2002, in billions	\$17.2
Billions expected in 2007	\$21.9
Percent of 2002 taxes coming from households.....	58.7
Percent from businesses.....	39.3
Percent from nonresidents.....	2
Effective tax rate (tax paid as percent of total income) in 2002	11.3
Percent projected in 2007	11.1
Percent in 1994.....	12.9
Percent of state tax returns in 2004 that were processed electronically	55
Percent by paper returns.....	41.5
Percent by telefile	3.4
Percent of electronic state returns processed in 10 days or less	90
States in 2004 (Minnesota is not among them) that enacted sales tax holidays, the instituting a temporary sales tax exemption on certain items for a specific period of time.....	12
Minnesota's projected Tax Freedom Day in 2005, calculated by dividing the government tally of all taxes collected by the government tally of all income earned each year	April 18
State rank based on calendar date of occurrence.....	37
Days in 2005, the average American will work to afford their federal, state and local taxes.....	107

Sources: 2005 Minnesota Tax Incidence Study, March 2005, Department of Revenue; other department fact sheets; Federation of Tax Administrators; U.S. Census Bureau; The Tax Foundation.

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