

SESSION WEEKLY

A NONPARTISAN PUBLICATION
MINNESOTA HOUSE OF REPRESENTATIVES • PUBLIC INFORMATION SERVICES
VOLUME 25, NUMBER 7 • MARCH 28, 2008

CROSSING TO THE DIGITAL SIDE
NO BEDS FOR THOSE IN CRISIS
MEMBERS STEPPING DOWN
SCHOOL FUNDING QUESTIONS

HF4113 - HF4133



SESSION WEEKLY

Session Weekly is a nonpartisan publication of Minnesota House of Representatives Public Information Services. During the 2007-2008 Legislative Session, each issue reports House action between Thursdays of each week, lists bill introductions and provides other information. No fee.

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Session Weekly (ISSN 1049-8176) is published weekly during the legislative session by Minnesota House of Representatives Public Information Services, 175 State Office Building, 100 Rev. Dr. Martin Luther King Jr. Blvd., St. Paul, MN 55155-1298. Periodicals postage paid at Minneapolis, Minn.

POSTMASTER: Send address changes to *Session Weekly*, House Public Information Services, 175 State Office Building, 100 Rev. Dr. Martin Luther King Jr. Blvd., St. Paul, MN 55155-1298.

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



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On the cover: Ian Austerman, from a New Prague school, looks for the "M" in the Capitol Rotunda during a scavenger hunt inside the State Capitol in early March. The tour was hosted by the Minnesota Historical Society.

—Photo by: Sarah Stacke

Expanding the band

Public television stations want state help for digital changes

By COURTNEY BLANCHARD

Next year, TV remotes will switch off fuzzy channels for the last time.

When TVs power up in February 2009, most stations will be broadcast with a digital signal. Rabbit ears won't give you static; there will either be a clear picture or nothing at all. Many shows will broadcast in high definition, and if you have an HD TV it will display a startlingly sharp picture with crisp sound quality. This will happen because the current method of TV reception, analog signals, will be replaced by digital.

While one goal for the switchover is to free up some of the analog spectrum for communication among public safety agencies, perhaps the biggest reason for the change is simply the money that the federal government can make. The Federal Communications Commission raised more than \$19 billion from auctioning the analog airwaves to wireless phone and Internet

companies, according to a March 20 release by the commission. It was one of the largest auctions the commission has ever held, and surpassed twice the amount Congress had anticipated. The money will go straight to the U.S. Treasury.

But money in the government's pocket comes at a price for TV stations. Since Congress mandated the switch 10 years ago, every TV station has been upgrading their equipment to enable them to pump out a digital signal by the February 2009 deadline.

While most stations must foot the entire bill for conversion, the Minnesota Public Television Association is looking for help from the Legislature. The association depends on annual state support for part of its operating costs, about \$1.36 million per year, according to the nonpartisan House Fiscal Analysis Department.

The money is divvied out among all six stations, and for the largest, Twin Cities Public Television, state funding makes up about 1 percent of its operating budget, according to the station's Web site.

But Lakeland Public

Coping with the switchover

The switch to digital television could prompt many people to buy a new set. That has the Pollution Control Agency and county officials wondering just how many TVs will be thrown out next February, and how many people know how to legally dispose of them.

It's illegal to take most TVs to the landfill because they include hazardous material, like lead.

The Legislature passed electronic waste recycling legislation in 2007 to make it easier and cheaper for people to get rid of their old TVs.

Lisa Bujak, electronics products stewardship coordinator for the PCA, said new recycling sites are already popping up around the state — enough to handle the demand in 2009.

Many sites still charge a fee to accept TVs and computer monitors, though some have reduced or dropped the fee altogether, she said.

To find a site in the metro area, visit www.greenguardian.com

To find a site in Greater Minnesota or a special collection event, visit www.pca.state.mn.us/ewaste

Television, which sends channels to Brainerd and Bemidji, leans on state funding even more. It makes up 8 percent to 18 percent of the budget, and federal funding is tied to the amount of state funds received, said General Manager Bill Sanford. When state funding drops, so does the entire budget, he said.

Another cost

The tab for conversion is piled onto every station's normal operating budget. It's a costly process, and even the electricity bill will go up for many stations, said Bill Strusinski, a lobbyist representing Friends of Minnesota Public Television.

"For those rural stations, it's problematic," he said. "They just don't have the resources."

The MPTA has already taken advantage of available federal funding, and the state doled out \$8 million four years ago and \$6.65 million last year for the digital conversion process. But the association hasn't yet wrapped up the switchover.

To cover the cost, the MPTA asked the House Minnesota Heritage Finance Division recently to include a request for \$6.5 million in the bonding bill.

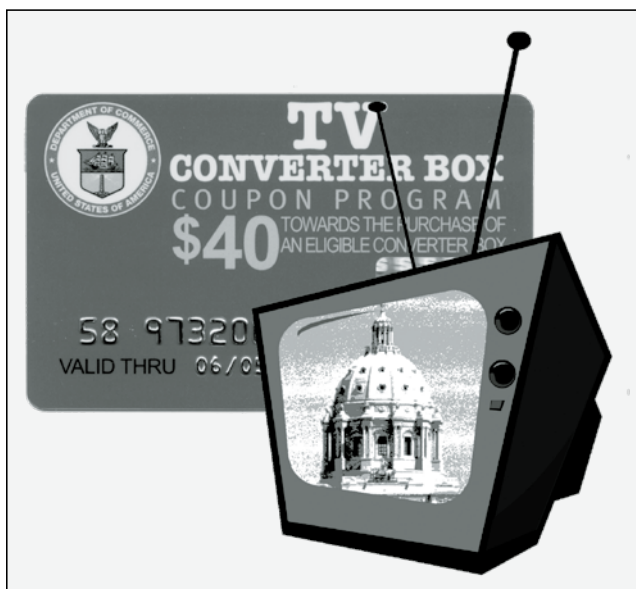


ILLUSTRATION BY PAUL BATTAGLIA

Even TVs adorned with old-fashioned antennas can keep working under the conversion to digital airwaves. Provided the TV set has the proper plug-in, a converter box will upgrade the signal. A federal government program offers each household up to two \$40 coupons for converter boxes.

First Reading continued on page 4

First Reading continued from page 3

Rep. Phyllis Kahn (DFL-Mpls) sponsors HF1181, which would provide funding to the MPTA. A companion, SF1047, sponsored by Sen. Gary Kubly (DFL-Granite Falls), awaits action by the Senate Finance Committee. So far, the request hasn't ended up in the bonding bill that has been sent to a conference committee.

Even though it may be hard to fulfill the request during a deficit year, Kahn said lawmakers should take a serious look at the consequences if they don't grant money to MPTA.

"They do not have the money to do it themselves," Kahn said.

For the six stations lacking funds for new equipment, filming could be halted on local programming such as spelling bees, workshops and church programs, Strusinksi said.

Expanding

After the upgrade, stations will be able to expand programming. With the space allotted for one analog channel, stations can send out multiple digital channels.

"We are on the air with more services than ever before, that's the great news about all of the work and all the expense associated with the transition," said Dan Thomas, chief operating officer for Twin Cities Public Television.

The network sends two channels to analog TV sets, he said. But there are seven digital

channels — many devoted to one thing, like children's education or how-to shows.

The Minnesota Public Television Association has almost completed the transition, Thomas said. The last step would upgrade stations with equipment for the ability to shoot on location in digital.

Not everybody agrees that money for the switch should come from taxpayers' pockets.

Digital conversion will allow public stations to raise more money, said James Gattuso, a senior research fellow on regulatory policy at the Heritage Foundation, a conservative think tank.

The government assigns the digital signal for free, which comes with space for additional channels. The improved quality and expanded service will attract more viewers, hence, more revenue.

"It seems to be ironic that this opportunity becomes a reason to ask for greater support," Gattuso said.

Your tube

For those worried whether the transition will leave their TV screen blank, there are options.

For one thing, there's still some time before the February deadline. Until TV stations are required to shut down their analog signals, most stations, including public stations, will continue to pump them out. When analog goes off the air, it will be business as usual for TVs hooked up to

a digital cable or satellite connection.

For TVs using antennas, it's a different story. While newer sets are capable of receiving digital signals, many old TVs can't do the job without a converter box. The boxes typically run from \$50 to \$70, but a federal program offers up to two \$40 coupons per household. Like any coupon, there are restrictions. It expires 90 days after the issue date and customers can't combine coupons to buy one box. To apply for the coupons, visit www.DTV2009.gov.

The digital transition will also hit home at the Legislature, which provides live coverage of House and Senate proceedings.

Because the Capitol's production crews are not licensed broadcasters, the digital conversion mandate doesn't apply, said Barry LaGrave, director of House Public Information Services, which produces the televised House proceedings. But much like the owner of a Ferrari in a small town, production crews will find it hard to replace broken parts. Analog equipment will soon be obsolete, so any new equipment purchased will be digital, LaGrave said.

He's in no hurry to buy the latest technology. Even after the analog production equipment breaks down and is replaced by digital, the House proceedings probably won't be filmed in high definition. There's just no reason for it when all you see are the faces of legislators, LaGrave said. 🗽

NEW LOOK



PHOTO BY ANDREW VONBANK

Trooper Garrett Bondhus stands by a newly designed Minnesota State Patrol vehicle, during a media unveiling event in front of the State Capitol March 26.

Editor's note: The following Highlights are coverage of select bills heard in House committees and other House activities held March 20-27. Designations used in Highlight summaries: HF-House File; SF-Senate File; CH-Chapter; and *-the bill, version considered by the House, or the bill language signed by the governor.

BUDGET

House DFL plan proffered

A difference in priorities has led to a difference in budget-balancing plans between the governor and House DFL leaders.

Approved by the House Ways and Means Committee March 25, and amended slightly two days later, the House DFL plan to reduce the state's projected \$938 million biennial deficit includes the elimination of a \$350 million cash flow account, takes \$250 million from the state's \$653 million budget reserve and leaves the Health Care Access Fund intact. Gov. Tim Pawlenty's plan includes \$250 million from both the budget reserve and the Health Care Access Fund, along with \$341 million in spending reductions.

Rep. Loren Solberg (DFL-Grand Rapids), the committee chair, said the House DFL plan uses some of the resources used by Republicans to solve the \$4.5 billion budget deficit in 2003.

"We are taking the cash flow account, and

we are leaving enough in the Health Care Access Fund and the budget reserve to be able to manage the cash flow," he said.

Each House finance division was given a target to meet, but Solberg emphasized it was up to the division to determine how to meet the target. The division targets are to be merged into one large bill by the House Finance Committee.

The targets range from a negative \$201.77 million to the House Taxes Committee to a positive \$22.87 million for K-12 education. Other targets include a nearly \$45 million decrease to higher education and workforce development (\$7 million less than Pawlenty), \$11 million reduction in public safety (\$5.45 million less than Pawlenty) and a \$200,000 decrease in transportation (\$32.2 million less than Pawlenty).

Committees can meet their targets by revenue changes, spending changes or transfers to or from other funds.

"The governor submitted his budget, and where there's general agreement on that budget target we have tried to follow that," Solberg said. "We had several conversations with the Department of Finance on some of those issues. We also have our fiduciary responsibility to pass budget targets that reflect legislative priorities as well."

Rep. Mary Liz Holberg (R-Lakeville) expressed concern about how the plan addresses the projected deficit in the following biennium.

"We're going to be in for a heck of a time next year as some of these one-time shifts and funds happen," added Rep. Jim Abeler (R-Anoka).

The governor's plan leaves a negative balance for Fiscal Years 2010-11 of about \$693 million, but Solberg said House leaders would like to see cuts to state agencies and other programs be long-term cuts. Each division also received a long-term tails target to try to achieve, if possible.

— M. Cook

Hopes for cattle, dollars for cows

An issue advocated by one Republican the last six years now has a better chance of becoming law.

Rep. Dean Urdahl (R-Grove City) has annually advocated for grants to help boost the state's declining number of dairy farms.

If the idea does make it into law, he says he can thank the DFL chairman of the House Agriculture, Rural Economies and Veterans Affairs Finance Division, Rep. Al Juhnke (DFL-Willmar). "Let's just say, I am more optimistic about this happening," Urdahl said.

Urdahl's proposal to make grant money available for eligible dairy farmers wanting to invest in their operations was extended by Juhnke to include producers of most livestock raised in the state. And the provision is a key component in the division's agriculture policy omnibus bill, HF3902.

The bill would allocate \$2.4 million to the



STITCHED PANORAMA BY ANDREW VONBANK

Members of the House Health Care and Human Services Finance Division work on the division's supplemental budget bill in a packed committee room March 25.

Department of Agriculture in Fiscal Year 2009 for grants of up to \$50,000 for qualifying expenditures of at least \$4,000 to a person who raises livestock in the state. This would include dairy farmers and those raising beef cattle, swine, mules, deer (also known as cervidae), bison and llamas.

However, with spending adjustments, the provision pushes the House's recommendation up more than \$2 million over the governor's request to cut the department's budget by \$102,000 for the current biennium.

The division approved two omnibus bills March 25. The first deals with policy issues related to agriculture and veterans affairs, which awaits action by the House Finance Committee. The other, HF3981, lays out budget provisions to deal with the biennial shortfall. It was incorporated March 27 by the House Finance Committee into the supplemental budget bill (HF1812).

Gov. Tim Pawlenty would increase by \$2.7 million the Board of Animal Health's budget to address the bovine tuberculosis problem affecting some cattle herds in the northwest part of the state. He also proposes to increase the budget for the Department of Veterans Affairs by \$5.85 million.

It was the bovine tuberculosis issue that prompted some members to question the committee's spending priorities.

The supplemental budget bill would allocate \$472,000 in Fiscal Year 2008 and \$2.56 million in Fiscal Year 2009 to the Board of Animal Health for response to the bovine tuberculosis problem. Rep. Dave Olin (DFL-Thief River Falls), who represents the infected area, pleaded for more money this year to help buy out cattle herds where the disease has been found. Calling it a disaster in the making, "You'd better find me another \$10 million," he said.

Junke successfully amended the bill in the Finance Committee to add \$3 million to the Board of Animal Health budget to address the bovine tuberculosis problem.

Both companion bills are sponsored by Sen. Jim Vickerman (DFL-Tracy). The companion to HF3981, SF3633, awaits action by the Senate Agriculture and Veterans Committee. The companion to HF3902, SF3683, awaits action by the Senate Finance Committee.

— L. SCHUTZ

Opt out of No Child Left Behind

The House Finance Committee included in its larger omnibus bill a plan that would have the state say no to the federal No Child Left Behind Act.

HF2475, sponsored by Rep. Mindy Greiling (DFL-Roseville), was approved March 26 by the House K-12 Finance Division and the

House Education Finance and Economic Competitiveness Finance Division, before being included March 27 in HF1812, a bill that includes all other supplemental budget bills.

The bill would, among other things, give districts a one-time award of \$51 per pupil, which would come from the Quality Compensation for Teachers program, commonly known as Q Comp, as well as the state's General Fund. Districts that have applied for the program will be unaffected, but districts will no longer be able to apply for the 2008-2009 school year.

"We really feel strongly that the Q Comp moneys should be untouched," said Education Commissioner Alice Seagren, adding that it sends a mixed message.

Another one-time proposal would allow school districts to transfer \$51 per pupil unit from their capital budgets to their undesignated general fund balance.

A controversial amendment brought forth by Rep. Pat Garofalo (R-Farmington) and approved would end the state's participation in the federal No Child Left Behind Act.

Garofalo said in the worst-case scenario where the federal government dropped funding, the state would still come out ahead because of the many unfunded mandates in the act.

Rep. Randy Demmer (R-Hayfield) said being the first state to opt out of the program might seem like a fun thing to do, but the issue was serious.

"Quite frankly, if I was the governor, this wouldn't see much time on my desk," Demmer said.

The bill would also authorize the education commissioner to enter into reciprocity agreements with adjoining states and extend a task force that was looking at special education requirements.

Other changes to the bill include: adoption of an amendment by Rep. Carlos Mariani (DFL-St. Paul) that would make all data used to create summary data for the state's report card non-public. An amendment that would keep the school start date after Labor Day was also approved.

A companion bill, SF2149, sponsored by Sen. LeRoy Stumpf (DFL-Plummer), has been held over by the Senate E-12 Education Budget Division for possible omnibus bill inclusion.

— T. HAMMELL

Energy and commerce spending cuts

More than \$12 million in General Fund spending would be trimmed from the Commerce Department's remaining biennial budget under the provisions of HF1812, the House's supplemental budget bill.

Sponsored by Rep. Lyndon Carlson (DFL-Crystal), the bill includes the recommendations

of the House Energy Finance and Policy Division, originally carried in HF2305, sponsored by Rep. Bill Hilty (DFL-Finlayson). The House Finance Committee approved the bill March 27 and rolled into the supplemental budget bill (HF1812).

The spending reductions would be accomplished largely by shifting money from non-General Fund revenue sources to cover budget shortfalls caused by the state's projected \$938 million deficit. A \$2.6 million renewable hydrogen power initiative would also be cancelled. The bill would actually make a slight increase in direct appropriations to the department. New spending items would include \$300,000 for a solar rebate program, \$175,000 for a broadband mapping project, \$130,000 for unclaimed property compliance and \$85,000 for a state video franchising study. Cuts include a \$540,000 reduction to the state's Do Not Call program and \$46,000 from the operating budget.

The bill also contains several energy-related policy provisions, including:

- requiring that outdoor lighting fixtures installed or replaced with state funds take steps to increase energy efficiency and reduce light pollution;
- establishing a Green Economy Transformation Task Force to help grow the number of jobs related to renewable energy in the state;
- providing for a study of the impact of legislation that would require franchises for video service to be issued by a state agency;
- providing for a statewide inventory and mapping of broadband service and capabilities; and
- providing up to \$500,000 from existing accounts to be used to fund studies on cap-and-trade governance, economics and emissions. This provision is contingent on the passage of HF3195/SF2818, the cap-and-trade bill sponsored by Rep. Kate Knuth (DFL-New Brighton) and Sen. Ellen Anderson (DFL-St. Paul). Both bills await action by the respective body's finance committee.

A companion bill, SF1475, sponsored by

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Sen. Ann Rest (DFL-New Hope), awaits action by the Senate Finance Committee.

— N. BUSSE

Environmental budget cuts

Environment and natural resources spending would see a net reduction of nearly \$1.6 million for the remainder of the biennium, under the supplemental budget proposal approved March 27 by the House Finance Committee, and rolled into the supplemental budget bill (HF1812).

HF1812, sponsored by Rep. Lyndon Carlson (DFL-Crystal), now contains the environment and natural resources budget cuts originally in HF4021, sponsored by Rep. Jean Wagenius (DFL-Mpls). The provisions would reduce General Fund spending by nearly \$3.4 million; however, they would compensate for some of the reductions by transferring more than \$1.9 million from various dedicated funding sources.

The Department of Natural Resources would bear the brunt of the cuts, with a net reduction of \$778,000, which would be spread out over a wide range of divisions and programs. The Pollution Control Agency would absorb most of its \$469,000 net reduction into various administrative costs, while a \$318,000 cut to the Board of Water and Soil Resources would affect mostly grant programs.

The total amount of General Fund spending reduced by provisions would be equal to the amount recommended by Gov. Tim Pawlenty; however, \$1.9 million would be transferred from three different dedicated environment funds to help mitigate the impact of the cuts. The governor's recommendations included only \$1 million of such transfers.

Some of the individual programs affected would include: a \$253,000 reduction to the DNR's waters division for water resource management; a \$230,000 reduction to the DNR's ecological services division for managing impaired waters; and a \$225,000 cut to the DNR's land and minerals division.

Several proposed funding increases are also included in the bill. Notable examples include:

- \$450,000 to BWSR for additional flood relief projects in southeast Minnesota;
- \$369,000 from the Game and Fish Fund to the DNR for fish virus surveillance; and
- \$134,000 from the Environmental Fund to the PCA for adoption of the California vehicle emissions standards (pending their enactment by the Legislature).

A proposal to cut \$175,000 from the DNR's budget for the Let's Go Fishing program for senior citizens has been excluded from the bill, despite being in the governor's budget recommendations.

A number of environmental policy provisions are also included in the bill. Among the more controversial of these is a requirement that all future landfills constructed in the state be located in areas where they are least likely to leech contaminants into groundwater supplies. This measure comes from HF3997/SF3703, sponsored by Rep. Julie Bunn (DFL-Lake Elmo) and Sen. Kathy Saltzman (DFL-Woodbury).

A companion bill, SF1475, sponsored by Sen. Ann Rest (DFL-New Hope), awaits action by the Senate Finance Committee.

— N. BUSSE

Trimming the administration

A House plan would reduce General Fund biennial expenditures for state government entities by the same overall amount recommended by the governor, but takes a different route getting there.

Sponsored by Rep. Chris DeLaForest (R-Andover), HF3987, which calls for budget reductions totaling \$21.35 million, was approved by the House State Government Finance Division March 26 and included in the supplemental budget bill (HF1812) put together by the House Finance Committee one day later.

The committee recommends cutting \$1.67 million from the Legislature, including \$710,000 from the Senate and \$952,000 from the House. The governor's recommendations include \$6.9 million in legislative cuts.

The plan's \$1.1 million in cuts to constitutional offices consists of \$749,000 for the attorney general, \$195,000 from the secretary of state, \$113,000 from the governor and \$42,000 from the state auditor. The governor recommended cutting \$1.79 million from constitutional offices.

The committee's recommendations include cutting \$157,000 from the Office of Enterprise Technology, nearly half of the \$313,000 cut recommended by the governor.

The Department of Administration would receive a \$1.04 million cut from the plan while the governor recommends a similar cut of \$1.2 million.

The plan would recommend cutting \$421,000 from the Department of Finance, which is half the Governor's recommended cut of \$842,000.

Both the committee's and the governor's recommendations would give the Department of Military Affairs a General Fund increase of \$390,000.

An amendment successfully offered by Rep. Phyllis Kahn (DFL-Mpls) specifies that the Legislative Coordinating Commission must report to the Legislature by Jan. 15, 2009, on potential savings that could be achieved by having the commission perform administrative functions that are currently

handled separately by the House and Senate.

Another successful Kahn amendment would allow for certain bars in the Twin Cities metropolitan area to remain open until 4 a.m. from Aug. 29, 2008 to Sept. 8, 2008, in conjunction with the Republican National Convention in St. Paul. Liquor stores in the area would also be permitted to sell alcohol on Sunday during those dates.

Other notable provisions include:

- employees must be granted up to five days of leave to care for a domestic partner due to illness or a disability within a 12-month period;
- regulations for state-funded outdoor lighting fixtures;
- employees must be allowed paid leave in order to donate blood; and
- regulations on misidentifying state agencies.

Senate companion SF3650, sponsored by Sen. Claire Robling (R-Jordan) waits actions by the Senate Finance Committee.

— B. HOGENSEN

Payment delays to hospitals

The House Health Care and Human Services Finance Division's omnibus bill calls for a \$131 million cut in this biennium.

Most of last year's MinnesotaCare expansions remain, but hospitals wouldn't fare as well with rebasing and managed care payments delayed for up to one year.

Rep. Thomas Huntley (DFL-Duluth), the sponsor of HF3976, said it would protect most of last year's expansions, nursing homes and long-term care facilities from cuts. "The state is in a fiscal crisis and we have to balance a budget which means we have to make cuts. That is a very tough thing to do."

The bill was approved by the division March 25, and incorporated in the supplemental budget bill (HF1812) by the House Finance Committee.

In part, the bill would:

- remove the cap on the Minnesota Family Investment Program that provides food and cash assistance to needy families;
- create a study on alternative approaches to offering dental coverage for public program enrollees;
- transfer remaining funds from certain accounts, such as the Chemical Dependency Treatment Fund, to the General Fund;
- freeze substance abuse treatment rates;
- make technical changes to meet federal requirements; and
- delay by one year increased hospital payment rates for medical and general assistance programs that are currently at a 2002 cost rate.

By delaying hospital rebasing, the cost savings are expected to total \$9 million

WATCHDOGS



PHOTO BY TOM OLMSCHEID

Welfare Rights Committee of Minnesota members, from left, Kathryn Wodtke, Linda Gawby, Deb Konechne and Frank Arroyo, review a spreadsheet associated with the House Health Care and Human Services Finance Division's supplemental budget bill prior to the division's March 25 meeting.

this biennium and \$30 million in the next biennium.

Huntley said the burden falls on hospitals. Most of the health and human services budget goes to long-term care and nursing homes, and if you don't cut those items, the cuts have to come from somewhere else, he said.

Rep. Steve Gottwalt (R-St. Cloud) unsuccessfully offered an amendment that would have used money in the state's Health Care Access Fund to increase funds to nursing homes 5 percent per year in fiscal years 2010-11. The House DFL budget plan does not touch the fund; the governor takes \$250 million.

Huntley said the state hasn't done a good job of providing for seniors, but health care access money would take away health care for needy children.

"We're not going to stop people from getting older. But we have to understand that taking money from one area and giving it to another has consequences," said Rep. Larry Hosch (DFL-St. Joseph).

Several amendments were presented and then withdrawn that would have increased money to nursing homes.

"We're going to be looking back on these times as the good ol' days," said Rep. Matt Dean (R-Dellwood).

A companion bill, SF3745, sponsored by Sen. Pat Pariseau (R-Farmington), awaits action in the Senate Health, Housing and Family Security Committee.

— P. OSTBERG

Stability for tuition and fees

A House plan would reduce funding to the University of Minnesota and Minnesota State Colleges and Universities system, but not as much as the governor requests.

The plan is one part of the \$22.99 million in supplemental budget recommendations approved March 25 by the House Higher Education and Work Force Development Policy and Finance Division. Approved one day later by the House Education Finance and Economic Competitiveness Finance Division, the bill was incorporated March 27 by the House Finance Committee into the supplemental budget bill (HF1812).

In his budget deficit recommendations, Gov. Tim Pawlenty seeks a \$27.2 million operating budget reduction at the university and \$26.6 million at MnSCU. The House plan calls for a \$6.17 million reduction for both higher education entities. An amendment successfully offered by Rep. Tom Rukavina (DFL-Virginia), the division chairman, and sponsor of HF3722, prohibits the raising of student fees or tuition beyond what is planned for next year to make up the difference.

Due to an increase in the federal Pell Grant, the bill calls for a decrease in the student share of their collegiate costs from 46 percent to 44.5 percent, at a cost to the state of \$11.25 million. The student share is one factor used to calculate the value of a state grant. This came from HF1142, sponsored by Rep. Joe Atkins (DFL-Inver Grove Heights).

The division agreed with the governor on an \$111,000 operating budget reduction for the Office of Higher Education.

However, the division reduced \$7 million from the governor's Achieve Scholarship program, which encourages low-income students to take rigorous high school courses in exchange for \$1,200 in college funding.

But the division allocated \$3.8 million for the Power of YOU program, which covers postsecondary enrollment costs not covered by grants for Minneapolis or St. Paul public high school graduates that attend one of three institutions, and \$200,000 for a pilot program to recruit and subsidize the education of students of color who enroll in teacher education programs at public four-year institutions. Those bills (HF3794 and HF3885) are sponsored by Rep. Lyndon Carlson (DFL-Crystal) and Rep. Kim Norton (DFL-Rochester), respectively.

Rep. Bud Nornes (R-Fergus Falls) unsuccessfully tried to amend the bill to keep the \$4 million in the Achieve Scholarship program, while eliminating money for the other two programs, including the creation of pilot programs for rural and suburban Power of You sites.

"Achieve is a statewide program in its infancy," he said. "The students are just getting involved, and to take funding away seems very unfair. ... Next year when we have the entire budget in front of us we can maybe look at a way to do all that."

"Basically the Achieve program became a resume builder for somebody running for higher office," Rukavina said.

Also in the bill is HF3014, sponsored by Rep. Larry Hosch (DFL-St. Joseph), which would change eligibility for a student loan forgiveness program for health professionals, so the minimum teaching requirement would be 12 credit hours per week, or 720 hours per year. The current requirement is at least 20 hours per week.

A companion bill, SF3471, sponsored by Sen. David Tomassoni (DFL-Chisholm), awaits action by the Senate Economic Development Budget Division.

— M. COOK

More dollars for food shelves

The Health Department would have to cut administrative costs by 6 percent, under the House Housing Policy and Finance and Public Health Finance Division's omnibus bill approved March 25.

Sponsored by Rep. Karen Clark (DFL-Mpls), HF3381 would, in part, cut \$2.3million for the current biennium and give additional dollars to food shelf programs and long-term homeless supportive services.

Other provisions include:

- increasing the debt ceiling for the Minnesota Housing Finance Agency from \$3 billion to \$5 billion;
- reducing the positive abortion alternatives program by \$1.9 million;
- increasing money to the Board of Nursing Home Administrators from the special revenue fund;
- changing regulations to public pools;
- abolishing a deputy commissioner and assistant commissioner position in the Health Department; and
- appropriating \$619,000 to the food shelf program and \$618,000 to long term homelessness supportive services.

Rep. Dan Severson (R-Sauk Rapids) questioned why the bill would cut the department by 2 percent more than the governor's recommendations.

"It would present even greater challenges to the department," said Craig Acomb, the department's chief financial officer.

Clark said the department proposed cuts to programs such as fetal alcohol syndrome, and instead of those she suggested reducing positions and monies to other programs.

Clark successfully added an amendment that would ban bisphenol-a and certain phthalates from being sold by manufacturers as of Jan. 1, 2009. Both products are known to be used in children's toys or baby bottles.

The committee is faced with issues of people literally in the street who are hungry. "Of course this is unpleasant but this is the reality we're facing," said Rep. John Benson (DFL-Minnetonka).

The bill, which has no Senate companion, was incorporated March 27 by the House Finance Committee into one supplemental budget bill.

—P. OSTBERG

Celebrations, movies and a new song

It didn't seem like a glamorous meeting, but movie stars and parties are the main themes in the House Minnesota Heritage Finance Division's omnibus bill, approved by the division March 25.

Division Chairman Rep. Mike Jaros (DFL-Duluth) sponsors HF4063, which would help fund sesquicentennial celebrations around the state and help lure St. Louis Park natives Joel and Ethan Coen back to Minnesota to shoot a movie.

Jaros said he was glad the governor didn't recommend significant cuts to the committee's budget. The governor suggested cutting state funding to the Target Center in Minneapolis, but Jaros did not include that in the bill.

The bill's cost to the General Fund this

biennium is a \$750,000 appropriation to the State Sesquicentennial Commission, a project that is backed by the governor, Jaros said. The money, to be used for the celebration of 150 years of statehood, would be distributed to communities across Minnesota and matched with local funds.

A commission is encouraged, under the bill, to accept suggestions for a new state song. The provision is modeled after a bill introduced by Rep. Dean Urdahl (R-Grove City), who, despite pleas from division members, declined to sing the current state song, "Hail! Minnesota."

The bill would also allow the state's tourism board to appropriate \$500,000 from a previous unused state appropriation to the Minnesota Film and TV Board. The money would be used as a production incentive for the filming of "A Serious Man," by the Coen brothers. The movie is tentatively scheduled to begin shooting in late summer.

The tourism board would also be required to conduct a study on vacation rental lodging in the state and report to the Legislature on how to protect consumers and promote rentals.

The bill would allow the Indian Affairs Council to conduct meetings using telephones or other electronic means. It would allow members to meet without driving across the state to one of the offices in Bemidji or St. Paul.

The bill, which has no Senate companion, was heard March 27 by the House Finance Committee, and incorporated into its supplemental budget bill (HF1812).

— C. BLANCHARD

Shift would bump up programs

Although the governor would bump up the Department of Veterans Affairs General Fund budget allocation by \$5.8 million in the current biennium, the House Agriculture, Rural Economies and Veterans Affairs Finance Division has other ideas — a more than \$3.5 million cut to the department over the same period.

But numbers can be deceiving, and with a shift of some unexpended money in one account, hopes are other programs in agriculture and veterans affairs could see more dollars.

"We can do that," said Rep. Al Juhnke (DFL-Willmar), chairman of the division. "All our accounts (departments of agriculture, veterans affairs and the Board of Animal Health) are in one, so we can move funds from one department to another." The reductions and the new additions to some programs still hit the target set forth by House leadership of a \$2.4 million overall biennial budget increase.

The governor proposes an \$8.4 million increase.

The division's omnibus finance bill (HF3981), sponsored by Juhnke, would reduce by more than \$10 million an appropriation made in 2007 for the state's GI bill program, which provides tuition assistance for veterans and their spouses at any Minnesota post-secondary institution. Juhnke said the amount still sits waiting to be used, "mainly because of benefits coming from the federal government that we didn't know of at the time. So we are basically encumbering it in other parts of the bill."

The division is also looking to reduce in Fiscal Year 2009 a \$1 million appropriation to the former veterans homes board, which was abolished in November. There would also be a savings of more than \$2 million over the 2010-11 biennium, as well. Juhnke said with the state's veterans homes now under the administration of the department, there would be financial savings. He stressed, however, the reductions would solely be in the area of administration, and not in patient care.

In Fiscal Year 2009, the County Veterans Services Offices program would see a \$500,000 base increase, and the State Soldiers Assistance fund would see a \$3.5 million increase, \$2 million of which would be added to the base. A new program providing statewide community-based casework services would be funded with \$1 million in Fiscal Year 2009.

The bill was approved by the division March 26, and incorporated by the House Finance Committee into the supplemental budget bill (HF1812) the following day.

A companion bill, SF3633, sponsored by Sen. Jim Vickerman (DFL-Tracy), awaits action in the Senate Agriculture and Veterans Committee.

— L. SCHUTZ

Public safety severely cut

Though not as severe as the governor's recommended cuts, proposed reductions to public safety agencies will still have a bite.

Approved March 26 by the House Public Safety Finance Division, HF4077, sponsored by Rep. Michael Paymar (DFL-St. Paul), the division chairman, was included in the House Finance Committee supplemental bill, HF1812, the next day.

Paymar said that making the cuts was not easy, and together with other committee members, he tried to make the case "that public safety is a core function of government and that we should be careful when making cuts to public safety."

The proposal is \$5.45 million shy of the governor's recommendations, but still adds

up to an \$11.02 million reduction.

As anticipated, a large brunt of the cuts would come from the judicial branch, specifically the Supreme Court, the Court of Appeals and district courts. The total cut reduction is \$4.53 million in Fiscal Year 2009, half the \$9.1 million proposed by the governor.

The Board of Public Defense would lose \$1.69 million; again, half of the governor's recommendations.

The Department of Public Safety would receive a \$1.24 million reduction, including funds set aside for a Financial Crimes Task Force, and squad car technology upgrades. Specific language protects dedicated funds for the Office of Justice Programs and new forensic lab scientist positions established last session.

The Department of Corrections would have its budget narrowed by \$2.44 million, with a \$1.5 million reduction in funding to counties as reimbursement for housing short-term offenders in county jails.

The one non-fiscal section of the bill includes the formation of a working group to review and make recommendations regarding state-controlled substance laws. This section comes from HF2996, also sponsored by Paymar, which began an effort to provide more support for prisoners re-entering society after incarceration. A report would be due the Legislature by Jan. 16, 2009.

— C. GREEN

More road construction

The supplemental transportation funding package calls for a \$200,000 reduction in biennial funding, yet calls for more spending on road construction.

Approved March 25 by the House Transportation Finance Division, HF3805 was incorporated two days later into the supplemental budget bill created by the House Finance Committee. The target was set by the House Ways and Means Committee.

Sponsored by Rep. Bernie Lieder (DFL-Crookston), the bill is a small percentage of the \$32.4 million cut proposed by Gov. Tim Pawlenty.

"The only reductions we can make is with the General Fund monies, and as you know we don't have many General Fund monies," Lieder said. "We only have General Fund monies in rural transportation and in public safety, basically. The rest are all trunk highway funds."

Items where cuts would occur are:

- a \$94,000 reduction for Metropolitan Council transit;
- a \$60,000 reduction for the Department of Public Safety, including a \$28,000 reduction for the Republican National Convention security coordinator, as was in

the governor's plan, a \$17,000 department operating reduction, and a \$15,000 Capitol Security reduction;

- a \$25,000 decrease for a value capture study that was funded in the transportation finance law passed earlier this year;
- a \$19,000 reduction for Greater Minnesota Transit; and
- a \$2,000 reduction in the freight area at the Department of Transportation, that deals with things like port operations and railroads.

"I'm very, very appreciative that the way-out-of-proportion cut that the governor proposed for transit of something like \$26 million is not here," said Rep. Frank Hornstein (DFL-Mpls). "I think that \$94,000 is not ideal, but hopefully the administration of the Met Council can absorb that. My understanding is this would not effect bus system operations in terms of a fare increase or any of the other draconian things that would have been prompted by the governor's proposal."

The plan calls for a \$6.85 million appropriation from trunk highway funds to recognize federal funds awarded to the state for bridge construction, as was requested in the governor's supplemental budget bill.

Also in the governor's plan, and included in this plan, is a \$12 million trunk highway fund appropriation directed at Driver and Vehicle Services in Fiscal Year 2009 for a redesign of the division's computer system.

— M. COOK

EDUCATION

Looking ahead for young learners

Rep. Nora Slawik (DFL-Maplewood) has big plans for the early childhood learning programs.

If the House Early Childhood Learning Finance Division chairwoman gets her way, by 2016, 75 percent of Minnesota's incoming kindergarteners will be fully prepared for school, Slawik said.

The target would help to close the achievement gap for incoming students, and by doing so, save costs for the K-12 education system and the juvenile justice system, she said.

The first step to achieving the goal is an early childhood education advisory board, which is supported by the governor, Slawik said. After that, the goal could come to fruition in several ways:

- a "4-year-old At-Risk" program, which would provide funding for high-quality preschool for low-income preschoolers;
- a universal preschool program;
- integrating social services into the school system for parents and children; and

- an "age 3 to grade 3" program, where students would be in close contact with the same teacher for the first several years of schooling. The teacher would monitor progress and form a close relationship with the child.

She hopes the issue could be taken up next session, but the goal is set for the year 2016 because it could take three biennia to complete.

The division received a zero budget cut target and won't meet again this session, she said. While avoiding cuts is a good thing in the midst of a deficit year, Slawik said she had hoped to tackle waiting lists for state child care and the Head Start program.

"What we would want is to serve more families," she said.

— C. BLANCHARD

ELECTIONS

School board representation change

One of the state's largest school districts could receive a significant redesign to better represent its large and diverse population.

Passed 91-42 by the House on March 25, HF1394/SF457* would require the Bloomington Public School District to establish single-member election districts in order to prevent one area of the district from being overly represented on the school board. The bill now awaits the governor's signature.

Rep. Ann Lenczewski (DFL-Bloomington), the House sponsor, said that unequal representation has been a recurring problem in the district. All members now serve at-large, but six of the seven live on one side of the city.

"For school boards, we need to make sure we represent all kids in the school district," Rep. John Lesch (DFL-St. Paul) said.

Lenczewski said the school board would have identical lines as those used for the city council, which consists of four single-seat election districts with three at-large seats.

If the bill is signed into law and the district fails to approve the changes by resolution, the issue will be presented to voters at the 2010 general election. Otherwise, the changes will take effect in 2013.

Critics of the bill view it as another opportunity for state government to step on the toes of local residents and lawmakers.

"If you truly are an advocate of local control then let the locals in Bloomington take care of it," said Rep. Mark Buesgens (R-Jordan).

The bill was approved 41-18 by the Senate March 17. Sen. Dan Larson (DFL-Bloomington) is the Senate sponsor.

— B. HOGENSON

CHILDRENS' VOICES



PHOTO BY ANDREW VONBANK

Amber Van Dyke of St. Paul and her 2-year-old daughter, Mara, listen to songs and stories in the Capitol Rotunda during the seventh annual Voices for Children rally March 27.

ENERGY

Increasing biodiesel blend

Viewed as another step along the state's road to increased biofuel production and use, the current mandate regulating biodiesel could increase.

Sponsored by Rep. Al Juhnke (DFL-Willmar), HF2987 would increase the biodiesel mandate incrementally from the current 2 percent blend to 20 percent by 2015.

"This is a big step continuing the history of renewable fuels. Minnesota has become sort of the model not only for other states, but for other countries," said Agriculture Commissioner Gene Hugoson.

The bill was approved by the House Agriculture, Rural Economies and Veterans Affairs Finance Division March 25, and awaits action by the House Finance Committee. Its provisions are also included in the division's omnibus bill.

The blend increase would move to 5 percent beginning May 1, 2009, and 5 percent each of the next two years to cap at 20 percent by May 1, 2015. Once the new blend requirement is reached, it would be effective May through September only, with the minimum content for the remainder of the year set at 15 percent.

The bill also calls for all revenue from the petroleum inspection fee, administered through the Department of Commerce, to

be used to enhance and ensure fuel quality, equipment and for educational activities focused on the use of biodiesel.

The state's biodiesel 2 percent mandate, enacted in 2002, required it not to be effective until Minnesota could meet half of the state's biodiesel needs. That occurred in the late summer of 2005. This requirement remains part of the new bill.

Juhnke said the requirements will give people "confidence in the product, that there will be a supply, that it will work, that it is a superior product. We think it adds a sense of stability and maybe even superiority. It's almost like a branding," he said.

With oil prices topping \$100 a barrel, Hugoson said that increasing the use of biofuels has become a national security issue. He also stressed the importance of moving away from food crops as a source for biofuels.

A companion bill, SF2724, sponsored by Sen. Jim Vickerman (DFL-Tracy), awaits action by the Senate Finance Committee.

— L. SCHUTZ

ENVIRONMENT

Biomass brouhaha in Minneapolis

Minneapolis residents concerned about emissions from a proposed wood-burning power plant in the city's East Phillips neighborhood scored a victory March 25 when a House division threw a new roadblock in front of the project.

HF3293, sponsored by Rep. Karen Clark (DFL-Mpls), would require the Pollution Control Agency to conduct a first-of-its-kind study on the potential environmental impact of the proposed Midtown Eco Energy biomass facility. The PCA would have to take into account the cumulative impact of all types and sources of pollution in the area before it could consider issuing a permit for the project. The House Environment and Natural Resources Finance Division approved the bill and referred it to the House Finance Committee.

Clark said the East Phillips neighborhood is already one of the most polluted areas in Minnesota, with high levels of lead and arsenic poisoning. She said the residents — mostly low-income minorities — suffer from a disproportionate amount of asthma and other environmental health problems.

Carol Pass, president of the East Phillips Improvement Coalition, testified that the facility would pump nearly a million additional pounds of various pollutants into the air over the neighborhood every year.

"I'm not saying 'not in my backyard.' I'm saying this backyard is packed full of pollutants," Pass said.

Kim Havey, finance and operations principal for Kandiyohi Development Partners, the firm proposing the facility, spoke in opposition to the bill. He said the Midtown Eco Energy project represented an investment in renewable energy that would reduce the state's overall carbon footprint, provide new jobs to the community and produce emissions that would be equal to or lower than any other biomass facility in the United States.

"It makes little sense to single out our project, after two years of permitting, to have additional regulatory requirements, and for Midtown Eco Energy to be scrutinized by an entirely different set of criteria," Havey said.

A companion, SF3393, sponsored by Sen. Linda Berglin (DFL-Mpls), was laid over March 10 by the Senate Environment and Natural Resources Finance Committee for possible inclusion in its omnibus bill.

— N. BUSSE

GOVERNMENT

Calling a special session

The power to call a special session could be in the hands of more than just the governor.

Awaiting action by the House Rules and Legislative Administration Committee is HF2554, sponsored by Rep. Lyndon Carlson (DFL-Crystal). It was approved March 25 by the House Ways and Means Committee on a divided voice vote.

The bill proposes a constitutional amendment be put before state voters at this year's general election. It would allow the Legislature to be called into session by the leadership in both bodies or by a petition among the majority of members in each body. Now, only the governor can call a special session.

A fiscal note indicates a \$2,000 cost to the Office of the Secretary of State, money it could absorb in its current allocation. The cumulative cost for counties would be approximately \$102,000 for auditors to add the question to optical scan ballot cards, program machines, count votes, print and publishing.

"The proposal does not change any of the powers of the governor, relative to being able to call a special session, but it would provide more balance of power between the legislative branch and the governor in the sense that if the Legislature saw a need for a special session they could move forward with that," Carlson said.

He said the bill is needed because historically the Legislature has had a difficult time determining when a special session should be called or what topics would be addressed. "Any bill may be considered whose subject is stated in the agreement or order that convened the special session," the bill states.

A session would be limited to seven days; however, Rep. Dennis Ozment (R-Rosemount) noted there is no provision indicating the session could not be extended another seven days, thus creating a full-time Legislature seven days at a time.

"It hasn't happened in the 33 states that have the right for the legislature to call a special session," Carlson said.

A companion bill, SF3072, sponsored by Sen. Ann Rest (DFL-New Hope), awaits action by the Senate Rules and Administration Committee.

— M. COOK

Paying out claims

A couple facing an assessment on their property for a problem they didn't create may get state help.

There is one of four claims against the state totaling \$86,657 that the Joint House-Senate Subcommittee on Claims recommends be paid. The subcommittee decides whether to pay claims against the state by persons who cannot proceed under the State Tort Claims Act. It also handles claims that cannot be litigated. The subcommittee heard more than 50 potential claims.

Sponsored by Rep. Dennis Ozment (R-Rosemount), HF3360 was approved March 27 by the House Finance Committee and sent to the House Ways and Means Committee. A companion bill, SF3021, sponsored by Sen. Ron Latz (DFL-St. Louis Park), awaits action by the full Senate.

Construction on the Inver Grove Heights home of John and Judy McEachran began in 2004, but was quickly halted when debris containing asbestos was unearthed. The debris came from a bridge that was demolished by the Department of Transportation and legally dumped on the site.

Dakota County removal of the material cost approximately \$143,000. A fund from the Pollution Control Agency contributed \$60,000 and the city kicked in \$15,000. This bill would award the McEachrans \$67,005 from the state. "Payment of the claim is not an admission of liability on the part of the State of Minnesota for these costs," the bill states.

Other claims in the bill are:

- \$11,905 to Robert Burton for permanent injuries suffered while performing work as an inmate at the Moose Lake correctional facility;
- \$3,737 for sentence-to-service claims under \$500 each and other claims already paid by the Corrections Department;
- \$2,005 from the General Fund and \$1,000 from the petroleum tank release cleanup fund to reimburse a Roseville couple for costs related to a mistaken order to search for an unsealed

well on their property; and

- \$1,005 to Minogheezhig Sandman-Shelifoe for loss of property caused by staff errors at the Rush City correctional facility.

Senior Assistant Revisor Craig Lindeke said it costs \$5 to file a claim, and instead of taking a lengthy process to get their filing fee back if a claim is successful, it was included in the award amount.

— M. COOK

HEALTH & HUMAN SERVICES

County purchasing health care

Health care public assistance enrollees in several southeast Minnesota counties would automatically default to county-based purchased health plans, under a bill approved March 26 by the House Health Care and Human Services Finance Committee.

Sponsored by Rep. Tina Liebling (DFL-Rochester), HF3380 would apply to Olmsted, Winona, Houston, Fillmore and Mower counties. People who have not chosen a plan through public assistance would automatically default to the county's plan, if health care needs arise. They would have the option to choose another plan after one year, under the bill.

It now goes to the House Finance Committee.

There would be no cost to the state because counties operate the plans, said Liebling.

The counties involved have come forward with the \$4 million needed to get the purchasing plan started, said Paul Wilson, Olmsted County commissioner.

The change could have a negative financial impact on other private health plans because the city would be the favored competition by automatic default, said Rep. Steve Gottwalt (R-St. Cloud).

It's not automatic enrollment when it's only the people who haven't chosen a plan in the first place, Liebling said.

Currently, the Health Department rotates health plans when they assign them to uninsured people, said Brian Osberg, human services assistant commissioner. The automatic default would put the county at an advantage and they should have to compete with other plans, he said, adding that county-based purchasing is currently a health care option, and the bill isn't really needed.

Liebling said the bill is an experiment, but it should be given the chance to save money and be successful.

A companion bill, SF3031, sponsored by Sen. Ann Lynch (DFL-Rochester), awaits action by the Senate Health and Human Services Budget Division.

— P. OSTBERG

LOCAL GOVERNMENT

Funding historical societies

**Signed
by
the
governor**

A stroke of the pen by Gov. Tim Pawlenty gives cities of the first class the opportunity to give some property tax revenue to county historical societies.

Signed March 19, the law strikes language that prohibits these large cities from appropriating property tax revenues to the county historical society. Current law states that smaller cities or towns can appropriate up to 0.02418 percent of its taxable market value. No funds can be appropriated unless the society is affiliated with and approved by the Minnesota Historical Society.

Currently, Duluth, Minneapolis and St. Paul are the only cities of the first class in the state. It is expected that after certification of the next federal decennial census that Rochester, and possibly Bloomington, will reach the 100,000 population threshold required to be a city of the first class.

Sponsored by Rep. Andy Welte (DFL-Plainview) and Sen. Ann Lynch (DFL-Rochester), the law takes effect July 1, 2008.

HF2827*/SF2690/CH158

— B. HOGENSON

STATE GOVERNMENT

I-35 bridge bill conferred

Survivors of the Interstate 35W bridge collapse are expected to get some kind of state compensation, but how much is yet to be decided.

A conference committee charged with creating a viable bill out of legislation passed by the House and Senate met for the first time March 26. It is expected to reconvene March 28.

The House passed HF2553, sponsored by Rep. Ryan Winkler (DFL-Golden Valley), 120-10 on Feb. 28. SF2824, sponsored by Sen. Ron Latz (DFL-St. Louis Park), was passed 57-0 by the Senate March 17.

While the bills essentially have the same goal, there are two significant differences. A compensation fund of nearly \$40 million is established in the House bill, while the amount in the Senate bill is \$26.5 million. Unlike the House bill, the Senate bill leaves the \$400,000 state liability cap in place.

"The bill in the House, from my point of view, aims to be fair, aims to be administratively simple and it aims to be mindful of the state's legal and fiscal interests," Winkler said.

Latz said the legislative steps taken were unprecedented in response to a state-related

potential tort claim, and that no matter what happens as a result of the conference committee a significant policy precedent and potentially legal precedent will be set.

"We've never had an event which is arguably related directly to human cause," Latz said. "People built the bridge and somewhere along the line people either failed, or failed to act, or took improper actions that resulted in the bridge collapsing."

The committee heard testimony from three victims of the bridge collapse.

Brad Coulter, who was injured along with his wife and two daughters after their vehicle fell 65 feet from the bridge, and Jennifer Holmes, whose husband was killed by the collapse, urged the committee to remove the liability cap. Coulter said his wife alone will face more than \$1 million in medical bills related to the catastrophe.

Linda Paul, who suffered injuries to her face and back along with suffering traumatic brain injury, differs from most bridge survivors as she supports the Senate legislation.

"As much as the House bill is my first choice, I believe Sen. Latz's bill is the more appropriate response in the world in which we currently exist," Paul said, noting the economic downturn the state faces.

The Interstate I-35W bridge over the Mississippi River collapsed on Aug. 1, 2007, killing 13 people and injuring 85 others.

— B. HOGENSON

TAXES

Aiding local communities

A group of Minnesota mayors packed the House Property Tax Relief and Local Sales Tax Division meeting March 26 for "Local Government Aid Day."

Six bills were presented, with testifiers questioning the fairness of how LGA is distributed. Many suggested rerouting aid to certain cities, and a few proposed to overhaul the entire LGA system.

HF3756, sponsored by Division Chairman Rep. Paul Marquart (DFL-Dilworth), would inject \$90 million more into the system and change how the money is divvied out to communities.

Dubbed the "unity bill," because it was negotiated by mayors, city officials and Minnesota city coalitions from across the state, Marquart compared their mission to that of Dorothy in "The Wizard of Oz."

"Wasn't it the wizard who told Dorothy to go out and find the ruby red slipper and then come back and he would send her home?" Marquart said. "He didn't expect she would get that ruby red slipper."

The bill, laid over for possible inclusion in the division's omnibus bill, would:

- replace current "regional center aid" with a "jobs-based aid" and double city aid for communities with less than 5,000 people;
- freeze the aid received in 2009 for subsequent years, with inflation factored into the mix;
- create one formula to calculate LGA that applies to every community in the program; and
- require a study group comprised of legislators and city officials to analyze the program and recommend changes.

Marquart insisted that increasing LGA would provide property tax relief to homeowners, because cities can pay for services with LGA instead of property taxes.

Not everybody seemed pleased by the proposal. Rep. Sarah Anderson (R-Plymouth) said her city doesn't receive LGA in the first place, so they would reap no benefits from the bill, and Rep. Ron Erhardt (R-Edina) asked where the Legislature could find \$90 million in the midst of a deficit year.

Testifiers from one city in particular objected to the bill. Elk River would lose most of its LGA, or nearly \$600,000.

Sen. Rod Skoe (DFL-Clearbrook), who chairs the Senate Property Taxes Division, sponsors the companion bill, SF3234, which has been laid over for possible omnibus bill inclusion by his division.

— C. BLANCHARD

TRANSPORTATION

Milk truck weights

**Signed
by
the
governor**

Federal law requires dairy haulers to completely empty a farm's milk tank before the hose to the truck can be removed. But because larger trucks are being used to accommodate larger bulk tanks used by dairy operators, the trucks are often overweight during the state's spring road restrictions.

Effective March 20, 2008, a new law permanently exempts milk haulers from certain truck weight restrictions, limits and prohibitions, such as those that are implemented during the spring when the ground is soft. A vehicle may not exceed a weight restriction of 5 tons per axle by more than 2 tons per axle.

Rep. Al Juhnke (DFL-Willmar), who sponsors the law with Sen. Betsy Wergin (R-Princeton), said previous law gave haulers two choices: running illegally or ignoring federal law by unhooking and going out with

the proper weight, thus risking the loss of their federal license.

HF1219*/SF2197/CH159

— M. COOK

Fees for technology

Minnesota motorists could pay more to register their vehicle or get a driver's license.

Sponsored by Rep. Terry Morrow (DFL-St. Peter), HF4100 calls for a \$1.75 surcharge on vehicle registration renewals; title applications, filings and transfers; and driver's license, permit and identification card filings. The money would be used to create a new information system in the Driver and Vehicle Services Division of the Public Safety Department.

The bill was approved March 25 by the House Transportation Finance Division and sent to the House Finance Committee. A companion bill, SF3787, sponsored by Sen. Rick Olseen (DFL-Harris), was scheduled to be heard March 27 by the Senate Finance Committee.

The division's current system has resulted in delays processing titles and driver's licenses, and has sometimes resulted in delays at traffic stops when a law enforcement officer checks information about a driver. Money for a system pre-design was appropriated last year from trunk highway funds.

A new system has a price tag of about \$48 million, with the anticipated collection amounts to be about \$12.25 million annually. After Fiscal Year 2012, Morrow said a future Legislature could decide to sunset the fee or keep it going to fund a system upgrade or other maintenance issues.

"The governor has proposed spending \$12

million a year over the next four years from the Trunk Highway Fund, but my concern is that money should be used for roads and bridges," Morrow said. "If the computer system is used for fees and registrations it should be paid for by licenses and registrations."

The division budget is fee-based, meaning all business costs must be covered through fee collections. "I don't like the idea of raising a fee, but I don't like the idea of having an antiquated computer system even more," Morrow said. The Minnesota Automobile Dealers Association supports the plan.

Rep. Mike Nelson (DFL-Brooklyn Park) unsuccessfully tried to amend the bill by requiring that the system allow law enforcement access to motor vehicle insurance status.

— M. COOK

LATE ACTION

'Good faith' closer to becoming law

As he presented the "good faith" bill on the House floor, Rep. Joe Atkins (DFL-Inver Grove Heights) said that in every other state, insurance holders have this type of protection. Insurance companies are required to act in 'good faith' when filling or denying claims with their customers. Minnesota is another step closer to joining the other states.

Approved by the House 81-51, HF3115/SF2822*, sponsored by Atkins and Sen. Tarryl Clark (DFL-St. Cloud), now awaits signature by the governor. The Senate approved it March 19 on a vote of 50-15.

According to the bill, a policy holder would be allowed to sue their insurance company for not settling a claim in "good faith," meaning

they can prove that the insurance company did not have a reasonable basis for denying a claim. The insurance company must also have known that it had no reasonable claim, or acted with "reckless disregard" for the lack of reason.

The bill would also provide reimbursement for legal fees to the insured.

Rep. Steve Smith (R-Mound) presented a delete-all amendment based on language provided by Sen. Linda Scheid (DFL-Brooklyn Park). The amendment further clarified that the "good faith" claims could only come about in "first party" cases, meaning the policy holder is directly insured by the insurance company in question. The amendment further allowed for awards above costs and disbursements, not to exceed \$100,000, and capped attorneys' fees at \$40,000.

Smith's amendment also provided that insurance agents are not personally liable under the "good faith" provisions, and those businesses with insurance policies over \$500,000 would be allowed the same 'good faith' protections as consumers. Although the Smith amendment was eventually adopted, the business policy section was stripped from the bill.

Concerns were raised, on the House floor and in earlier committee meetings, that the bill could result in higher premiums for consumers. Smith did not agree. He said that it would be "outrageous" for the state, specifically the Department of Commerce, to allow insurance companies to raise rates on customers because of the companies' bad conduct.

— C. GREEN

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No rooms for those in crisis

Psychiatric beds are full, but solutions are as complex as the problem

By PATTY OSTBERG

An emergency room visit could last hours for a mentally ill person in the middle of a crisis episode. After waiting, and waiting, the hospital might squeeze them into an available bed somewhere in the Twin Cities metropolitan area. More often, there aren't any beds at all; and if there are, they're probably located 60-plus miles from their home or out of state.

Data from a Department of Health report released in February shows that 2,600 patients from the Twin Cities metropolitan area traveled distances to receive psychiatric or chemical dependency care.

Some patients are even being discharged from emergency rooms despite being at high risk of harming themselves or others, simply because there are no beds, Roberta Opheim, state ombudsman for mental health and mental retardation told the House Health and Human Services Committee March 11.

"Mentally ill people deserve better than that, and they should not have to wait until they're at death's door to get a hospital bed," she said.

A bill for more beds

Rep. Marsha Swails (DFL-Woodbury) sponsors HF3539 that would establish a 144-bed specialty psychiatric hospital, Prairie St. John's, in Woodbury. Swails is convinced more beds are needed after hearing the story of a 16-year-old in her district who attempted suicide around Christmas 2006. After the teen was revived, her parents were told the closest mental health facility with open beds was in Duluth, more than two hours away from her family. They were forced to make a decision that no parent should have to make, Swails said.

The bill was approved and awaits action in the House Health Care and Human Services Finance Division. A companion bill, SF3429, sponsored by Sen. Kathy Saltzman (DFL-Woodbury), awaits action by the Senate Health, Housing, and Family Security Committee.

"The question is not whether the mental health system needs change, but whether 144 new beds in a for-profit hospital in Woodbury represents the change needed,"

— Kathy Knight, vice president of Fairview Behavioral Services

Distribution of Psychiatric and Chemical Dependency Beds per 100,000 Population

Psychiatry	2004	2008
Twin Cities Metro	29.5	29.4
Central	26.1	15.7
Northeast	34.4	33.7
Northwest	12.1	15.0
South Central	28.3	18.6
Southeast	22.3	23.8
Southwest	66.0	30.5
West Central	34.7	20.2
Total	29.7	25.8

Chemical Dependency	2004	2008
Twin Cities Metro	5.2	4.9
Central	15.8	10.9
Northeast	12.4	12.6
Northwest	0	0
South Central	15.4	15.8
Southeast	0	0
Southwest	22.6	22.9
West Central	41.8	31.8
Total	9.0	7.9

Includes both community and state operated hospitals

Source:MDH, 2004 and 2008 hospital surveys; Minnesota Department of Human Services; population estimates from the Minnesota State Demographic Center

While HF3539 would increase the number of beds, hospital officials and doctors in the Twin Cities metropolitan area are saying it's not more beds that are needed. Beds are at capacity because there aren't enough psychiatrists to treat the mentally ill. Patients that are healthy enough to be released don't have community housing or a place that will take them. A patient needing treatment can be left to wait in the hospital for days or weeks at a time.

Intermediate level care

Placing treated patients with complex health problems, such as having a mental illness and a disease like diabetes, can be especially difficult. There just aren't enough aftercare community housing units to send these types of patients to because of continuing medical needs such as dialysis or diabetes treatment.

"Once acute care needs have been met, it's a failure of care to delay discharge for lack of mid-level service," said Kathy Knight, vice president of Fairview Behavioral Services. "The question is not whether the mental health system needs change, but whether 144 new beds in a for-profit hospital in Woodbury represents the change needed," Knight said.

The Health Department report studied whether it is in the state's interest to approve additional beds in Woodbury.

Through early intervention and the implementation of programs funded by the 2007 Legislature, more beds will eventually open. But the report acknowledges, "It will take time to transform the mental health care delivery system in ways that better serve patients."

While hospitals plan to add 32 psychiatric beds and four chemical dependency beds in 2008, staffing these beds would directly compete with the additional beds in Woodbury.

Of Minnesota's 87 counties, 70 are designated as Mental Health Professional

Crisis continued on page 23

Broken or flawed?

Bills seek solution to complicated school funding system

By THOMAS HAMMELL

Because a referendum to renew an operating levy failed by just 160 votes, the St. Cloud Area School District has \$4.5 million less to work with this year. The district plans to lay off teachers, bus fewer students and reduce the number of special education and health services and paraprofessional support.

"In general we'll look at every budget related to our operation and try and pare something back," Superintendent Bruce Watkins said.

Watkins echoes what has become a familiar refrain. "Districts have run out of places to cut corners and they're down at the Legislature saying 'Please help us,'" he said.

Along with other school administrators and concerned parents from around the state, Watkins testified earlier this month before the House K-12 Finance Division.

"We're here because we believe the system is broken and needs your attention," he said. Budget cuts in the district have created an exodus of students who open enroll in other districts, and take state funding with them.

From last year's session, school districts saw an increase in their basic per pupil funding unit from \$5,074 to \$5,124 for the 2008-09 school year, according to a report from the nonpartisan House Research Department.

The mechanics of school funding are complicated, but even with last year's increase, all it takes is 10 students leaving a district to put the district at least \$51,240 behind where they were the year before.

According to a report from the Department of Education, there were 16 school districts and four charter schools in statutory operating debt in Fiscal Year 2006. Three-dozen districts had negative fund balances. In 2005, the Department of Education listed two dozen districts in statutory operating debt.

Darrel Tungseth, a Fergus Falls school board member, said the district is cutting \$2.3 million this year, and has cut more than one-third of its budget in recent years.

"The students are suffering, and also it's

very demoralizing to the teachers we have," he said. Because of open enrollment, the district is competing with its neighbors for students and the per pupil state money they bring. The district has an operating levy of \$415 per student, which expires in 2011, and the school cannot cut enough expenses to keep up.

Fergus Falls Superintendent Jerry Ness said the school district had 3,400 students in the 1995-96 school year, compared to 2,500 students today.

A numbers game

Rep. Mindy Greiling (DFL-Roseville), chairwoman of House K-12 Finance Division, said the main issue is that government as a whole is under-funded.

"We're the canary in the mine for the under-funding, because we're such a big part of the budget," she said. According to the Department of Finance, K-12 education represents 39.8 percent of the state's General Fund spending.

Nonetheless, administrators say that state allocations have not kept up with inflation, and open enrollment rules mean students can leave a struggling district, creating even more financial problems.

While the state might increase an appropriation for school districts, inflation and fluctuating costs might lead a district to reduce what it offers compared to the last year, Watkins said.

"A school district doesn't have any way of saying, 'It's OK that energy (costs) went up, we'll just generate more,'" Watkins said.

Since 1971, school districts have been able



PHOTO BY TOM OLMSCHIED

Even though per pupil funding has gone up, school district officials say it does not keep up with inflation. Pictured is teacher Jenny Heyer and her kindergarten class at Island Lake elementary School in Shoreview.

to levy, with voter approval, amounts for costs beyond levies specifically authorized in Minnesota, according to information from the House Fiscal Analysis Department. Before that time, school districts had much more flexibility.

According to House Research, per-pupil funding, adjusted for inflation, has increased over time, but on the other hand, building construction and special education costs have increased at a greater rate.

Small change?

Legislators have drafted bills of all shapes and sizes to deal with the problem.

Rep. Will Morgan (DFL-Burnsville) sponsors HF2978, which would increase general education funding by roughly \$100 million for Fiscal Year 2009 and raise the formula allowance by 2 percent each year thereafter. The bill would also increase the special education funding by about \$75 million for Fiscal Year 2009 and then allow special education revenue to grow with special education costs.

"When I went back to school in September, I saw firsthand that schools were not back to the level of funding that they had been in 2003 and 2004. Caps on special education money had required schools to use general fund money to provide mandated services.

"When you combine that with the declining

enrollment, the Burnsville School District where I teach has just not been able to recover yet from the frozen funding," he said.

A companion bill, SF2815, sponsored by Sen. Tom Saxhaug (DFL-Grand Rapids), awaits action by the Senate State and Local Government Operations and Oversight Committee.

Rep. Sandra Peterson (DFL-New Hope) sponsors HF3622, which would allow school districts with a fund balance of less than 3 percent to hold a referendum at a time other than in November. Districts would still have to be careful, she said, but this would give them more options. Current law requires district referendums to be held at the time of a general election.

Peterson said both the Robbinsdale and Osseo school districts in her district have made huge cuts, and Osseo leaders recently decided to close two schools. A companion bill, SF3355, sponsored by Sen. Ann Rest (DFL-New Hope), awaits action by the Senate Finance Committee.

Rep. Debra Hilstrom (DFL-Brooklyn Center) sponsors HF3423, which would increase school district revenue and create a way for districts with a net negative unreserved general fund balance greater than 2.5 percent to levy to eliminate the deficit. A companion bill, SF3204, sponsored by Sen. Linda Scheid

(DFL-Brooklyn Park), awaits action by the Senate Finance Committee.

"The main thing that's broken is the over reliance on voter approved property tax referenda," Greiling said.

Rep. Sondra Erickson (R-Princeton) said the system is flawed, but not broken.


"We have created an inequity, especially between Minneapolis/St. Paul and the rest of us," she said, and said funding systems need to be simplified so a student is a student.

Erickson said more funding from the state is not the answer because there needs to be some sort of local buy-in.

"We fund our schools quite generously, but we also expect much more of schools because we have so many mandates," she said. The more programs a school is required to have, the more money it takes.

Erickson said the solution needs to involve not only legislators and school administrators, but also parents and school board members.

And then there may be the most extreme measure proposed.

Rep. Frank Moe (DFL-Bemidji) sponsors HF3107, which would repeal the referendum revenue authority of school districts and require the governor to come up with an alternate funding source by Oct. 1, 2008. There is no Senate companion. 

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Do right by the people

DeLaForest thankful for the 'awesome responsibility' of serving

Editor's note: As the 2008 session goes into the home stretch, several members have announced their intentions to leave the Minnesota House of Representatives for new adventures, and, for many, to also spend more time with their families. They leave a legacy of service that will remain part of legislative history.

BY BRIAN HOGENSON

Rep. Chris DeLaForest (R-Andover), a proponent for civility and professionalism in the House, is stepping away at the end of this session to embark on life after politics.

"Six years, I thought, was a good amount of time, and it was just time to pursue other opportunities, return to private life and spend time with my family," said DeLaForest.

If DeLaForest could pass something on to the person filling his seat during the next session it would be to never forget the awesome responsibility that they carry and to always do their work in a professional and civil way.

"Perhaps the area where any political body

could do some work is disagreeing amicably," DeLaForest said. "It's a good thing to disagree but a bad thing to disagree in an uncivil manner."

First elected to the House in 2002, he easily won re-election in 2004 and 2006, netting at least 60 percent of the popular vote in each election. His legislative district is composed of the quickly expanding suburbs of Andover and Ham Lake.

DeLaForest's committee membership includes Commerce and Labor, Crime Victims Subcommittee, Data Practices Subcommittee, Public Safety and Civil Justice, State Government Finance Division and Taxes.

An honorably discharged veteran who served on active duty as an army officer from 1992-96, when the House is not in session, DeLaForest works for a manufacturing company that builds testing devices for semi-conductors, according to his Web site.

One of the most interesting things about the legislative process during his time in the House has been how little things have changed.

"The more things change, the more they stay the same," DeLaForest said. "I've been part of a large majority, a thin majority and a thin minority. I've experienced successes and failures in all three."

Choosing not to focus on his individual legislative achievements, DeLaForest leaves that for others to examine. He said he has always considered serving in the Legislature to be part of a broader effort, "an effort of 201 legislators to do what's right for the people of Minnesota."

The most recent successfully passed bill sponsored by DeLaForest was legislation in 2007 that again made ticket scalping legal in Minnesota. He said the law was necessary in order to put Minnesota's ticket market on the same playing field as other areas of the economy, and use competition to bring down ticket prices for consumers.

"You have a legal contract where A and B agree," DeLaForest said during debate on the bill. "Why would the government step in?"

DeLaForest remembers one of the non-controversial revisor's bills to be the first bill that he introduced as a newly minted freshman legislator.

"It was somewhat intimidating in that I had heard the bill subjected the author to the hazing ritual on the floor, so I was intimidated that some of the more senior members of the body would pepper me with all sorts of questions about the bill that I was unprepared for."



PHOTO BY TOM OLMSCHIED

Rep. Chris DeLaForest is joined at his Chamber desk by his son, Will, as the House meets in floor session.

STEPPING DOWN

Rep. Chris DeLaForest
Republican
District: 49A — Andover
Terms: 3 (elected 2002)
Advice to successor: "Never forget the awesome responsibility that they carry and to always do their best to carry out their work in a professional and civil way."

Focus on family time

Finstad leaving to concentrate on his children

By CRAIG GREEN

When Rep. Brad Finstad (R-Comfrey) first ran for office in 2002, he did so in part because of encouragement from family and friends. He went through a pair of shoes knocking on doors in his district, got to know his constituents, and got elected.

Now, six years later, wanting to spend more time with the same family and friends, Finstad is stepping down.

When Finstad began he was the youngest male legislator in the House at age 26. The son of a farmer, he and his wife, Jaclyn, were expecting their first child. Now they have three children — Greta, Thomas and Jake — with one more on the way.

“Time for me to be a better dad,” Finstad said. “My wife is a superstar, but I’m two-and-a-half hours away. ... At some point you have to say: Am I going to be OK at a bunch of

things, or am I going to be good at a few?”

With previous experience working as an agricultural advisor to former U.S. Rep. Mark Kennedy, Finstad currently serves as an assistant minority leader and the lead Republican on the House Agriculture, Rural Economies and Veteran Affairs Finance Division. His other committees include the House Finance Committee, the House Health and Human Services Committee, the House Licensing Subcommittee and the House Rules and Legislative Administration Committee.

Though he sponsored the bill that helped

pave the way for the new Minnesota Twins ballpark, Finstad said that he is most proud of sponsoring the “Positive Alternatives Act,” which was signed into law in 2005. It provides a funding stream for birthing centers to help women and families carry their babies to full-term, he said.

Finstad said he knew there were women who were pregnant and in crisis, but they had nowhere to go. They would ask, “How can we get help?”

Never a legislator in search of headlines, Finstad is content working behind the scenes, taking care of the small things that need to be done. “I don’t need the big bills to go home and show everyone what I’ve done,” he said.

The first bill he sponsored in the House, which was also signed into law, was a mostly technical bill, allowing farms to pool their resources when selecting health plans. “I’ve just tried to put my head down, roll up my sleeves, and work.”

Looking back on his time at the House, Finstad believes that there has become a more partisan tone to how things are done. This, he said, has led to more short-sighted legislation. Instead of solutions, the focus has become power. “What do we need to do to pick up seats in the next election? Or save seats?”

We’ve reached the point where “we’ve dehumanized each other,” as opposed to seeing each other as people and agreeing to disagree, he said. For whatever reason, Finstad said, too many legislators are focused on going after those in the opposite party, and not spending enough time addressing the issues in front of us.

Asked what advice he would have for the person who will occupy his position once he’s gone, Finstad said: “Work hard. Use your two ears more than you use your one mouth. Stay true to yourself; true to your district.”



PHOTO BY SARAH STACKE

Rep. Brad Finstad holds his daughter, Greta, as she enjoys a sucker and the computer at his desk in the House Chamber.

STEPPING DOWN

Rep. Brad Finstad
Republican
District: 21B — Comfrey
Terms: 3 (elected 2002)
Advice to successor: “Work hard. Use your two ears more than you use your one mouth. Stay true to yourself; true to your district.”

New house means leaving the House

Personal move leads to a professional change for Kranz

By BRIAN HOGENSON

As the saying goes, things are not always as they appear to be.

Since first-term Rep. Scott Kranz (DFL-Blaine) announced he will not be seeking reelection, there has been speculation that it was due to distaste for the job or the partisan bickering that at times enflames the House.

In actuality, the reason boils down to district maps and moving boxes.

Kranz and his family have moved to a lake

home that is located 3 miles out of his district, and into the area represented by Rep. Paul Gardner (DFL-Shoreview).

"Everyone in Minnesota knows the dream of living on a lake or having a cabin," Kranz said. "My family decided to just live at the cabin."

For Kranz and his family, much consideration was given as to how the potential move would affect his ability to run and stay in the House, as well as how it affects the district. The district was

represented by a Republican for the eight years previous to his election. Kranz has not ruled out another run after redistricting in 2010.

His wife, Kristi, and two boys, Lucas and Ryan, have sacrificed a lot for him during the last two years, Kranz said, and it is his turn to sacrifice for them, saying that the chance to live on a lake is a once in a lifetime opportunity for his family.

Kranz, a social studies teacher at Spring Lake Park High School, said that it has been interesting to see government in action and that he will share that experience with his students.

Saying that he does not vote the party line, and has taken some fiscally conservative votes on issues, Kranz said he has been very lucky to share in this experience and thinks he has represented his district well.

"I was faced with tough decisions and I pictured the neighborhoods in my district and how they would want me to vote," Kranz said. "My advice to someone running

for this seat on either side would be to literally walk the district and get to know the people, whether they agree with you or not."

Kranz counts two bills he was able to pass during his first year in the House among his legislative accomplishments. One was a bill that allowed nonprofit firefighters to purchase equipment at the same rates as government firefighters. Another bill helped owners of manufactured homes cover the expense of relocating when a park owner decides to sell the property they are living on.

The manufactured homes bill broke a 40-year deadlock among manufactured homeowners and park owners. Kranz said he had senior legislators telling him how historic the legislation was, which surprised him since he felt it was simple, common-sense legislation that helps families.

One of Kranz's goals for this session was to help pass the transportation funding bill. He said his district has a traffic congestion problem and he is sick of seeing potholes in his district. However, the vote on the bill was not an easy one for Kranz, who said he supported the gas tax portion of the bill, but struggled with the sales tax portions.

While he has no personal goals in mind for the rest of the session, Kranz said that as a group, he would like the Legislature to get done on time, or even early.

Kranz now looks forward to teaching full-time and enjoying his family's first summer on the lake. 🏡



PHOTO BY TOM OLMSCHIED

Rep. Scott Kranz is joined at his desk in the House Chamber by his wife, Kristi, and sons, Ryan, left, and Lucas, center, at the opening of the 2007 session.

STEPPING DOWN

Rep. Scott Kranz
DFL

District: 51A —Blaine

Terms: 1 (elected 2006)

Advice to successor: "Literally walk the district and get to know the people, whether they agree with you or not."

In the middle, a man apart

After 24 years in the House, Ozment prepares to step down

By Nick Busse

It doesn't matter whether it's your first year in the Legislature or your last — your obligations and your oath of office remain the same, according to Rep. Dennis Ozment (R-Rosemount), so until the final gavel drops on the 2008 legislative session, he's not preoccupied with what will happen next.

"I'm not retiring, so to speak, I'm just not running for re-election. I don't know what that means because I haven't really stopped to consider options until I get through this session," Ozment said.

Ozment, currently the longest-serving Republican in either body, will conclude his 24th and final year in office when the Legislature adjourns. The reason he's leaving?

"It's just time," he said.

"I just know that it's time for me to move on — while everything is good. I still have my health; I still got options out there. Twenty-four years is enough."

As a lawmaker, Ozment will leave office with a wide range of legislative accomplishments under his belt. Among them, he has been a fierce advocate for the environment — in

particular, for cleaning up the state's waters. He was the chief sponsor of the state's Clean Water Legacy Act, and served at various points in his career as chairman of the House's environment policy and finance committees.

Among his greatest achievements, however, Ozment is perhaps best known for his ability to work across party lines. Throughout his career, he has preferred to craft legislation by listening to all sides of a debate and reserving judgment until he's heard all the facts, thereby making friends instead of adversaries. The consequences of this can be seen in the way many of his colleagues react to him; whether speaking softly in committee or delivering fiery oratory on the House floor, people tend to listen when he talks.

"I think that the biggest component that you need in order to be really successful at the Legislature is people need to trust you. And as frustrated as people may get with me from time to time, depending on their points of view, they can pretty well trust where I'm coming from. I don't change from one day to the next," Ozment said.

Ozment concedes that his style occasionally puts him at odds with members of his own party, some of whom don't always appreciate his moderate approach to legislating.

"When I was first here, I felt that I was more of the mainstream of my caucus. And as time has gone on, I think that I've become more and more isolated in the middle," Ozment said.

Ozment spent 27 years as a Minneapolis firefighter and fire captain — an occupation in which teamwork is an indispensable value. In the Legislature, where teamwork is often fleeting, Ozment said he's nevertheless tried to emphasize its importance to his fellow legislators. Whatever party is in charge, he said the majority often needs the minority's support to get anything accomplished, and vice versa. He thinks lawmakers shouldn't fear controversy.

"If we were all on the same page and all in the same groove, it would be either a very bland system or we'd be in a dictatorship, where everybody is forced to march in one direction. So the diverse ideas and sense of direction is, I think, very healthy," he said.

Ozment and his wife, Gayle, have two grown children and five grandchildren. Although they have no immediate plans for after session, Ozment said they will likely do some traveling, and spend time at their lakeside cabin near Annandale. 🌲



PHOTO BY ANDREW VONBANK

Rep. Dennis Ozment has his grandson, Jason Eckre, try the chair at his House Chamber desk during a visit to the Capitol.

STEPPING DOWN

Rep. Dennis Ozment
Republican

District 37B — Rosemount
Terms: 12 (elected 1984)

Advice for successor: "Remember that it really is teamwork. There's no such thing as a powerful politician. The next election will show you who has the power. The power is in the people, and (members) shouldn't forget that."

Rejuvenation for Neva

First black woman to serve in the House hopes for renewal time

By PATTY OSTBERG

Rep. Neva Walker (DFL-Mpls) made history in 2001 by becoming the first black woman to serve in the Minnesota House.

When her legislative journey began, she knew it wasn't just about representing constituents from District 61B, it was about representing all minorities. "I knew that as soon as I got elected," she said.

There have been many times in debates when she has been expected to speak up for minorities, she said. Sometimes just being the lone minority in a committee meeting or on the House floor made people think before they spoke. "Things one may want to say when I'm the room, they may want to think really hard if they want to say it," she said.

Her first bill was a resolution commemorating the Rev. Dr. Martin Luther King, Jr. and his life "devoted to the elimination of segregation and prejudice against his people."

Her fight for issues isn't over once she leaves the Legislature, but she said it's time for a break, "to remind myself why I really came here in the first place." Perhaps graduate school, substitute teaching or even starting her own business are in her future. A lot of hours go into representing a district, and she's never been able to figure out a way to have a second job to supplement her income as a legislator. "It's Neva time," she said of her decision.

She is dismayed at how the House too-often operates. "This place is really partisan and I'm not really a partisan person by nature," she said. "I'm just open and trying to get through session."

Once her term is complete, she doesn't intend to be a hired lobbyist, but she is still going to work on re-creating the position of an ombudsman for corrections, out-of-home placement and mental health issues. She's authored bills in the past on those issues and says there is more work to be done.

After six years of being in the minority

caucus, Walker was named chairwoman of the House Mental Health Division when the DFL took control in 2007. Last year she helped secure more than \$34 million in mental health grants for children and adult services. With a deficit looming, and the divide expected to be even larger next year, she says people need to get creative, and community support is necessary for those with mental illness.

Her words of advice for the person to take her seat: "Get to know everybody, and don't polarize yourself."

Walker speaks from experience. Whether it's rural, suburban or another political party, she says everyone can find common ground. "Even if you fundamentally disagree with that person on 99 percent of the issues, there has to be an issue that you guys can agree on."

The widening polarization of parties has been one of the biggest changes she's seen since beginning her legislative career. "We've become partisan and it doesn't do us any good," she said.

She believes that in years past there were members, both Republican and Democrat, more willing to work across party lines, but that spirit in so many ways is gone. "It's a difficult climate to get to know everyone," she said.

Walker says she's represented her district fully. Whether it's social justice, racial profiling, poverty or mental health issues, she's been able to advocate on their behalf.

"I'm the luckiest girl, because I have the best district that there is. It has been more than an honor to serve. It's been an opportunity of a lifetime." 🐾



PHOTO BY ANDREW VONBANK

Rep. Neva Walker enjoys the company of her best friends' nephew, Kenney Gatlin Jr., in her State Office Building office.

STEPPING DOWN

Rep. Neva Walker
DFL
District 61B — Minneapolis
Terms: 4 (elected 2000)
Advice: "Get to know everybody, and don't polarize yourself."

Tuesday, March 25

HF4113-Clark (DFL)

Health & Human Services

Licensure disqualification variance consideration required by commissioner of human services.

HF4114-Hackbarth (R)

Governmental Operations, Reform, Technology & Elections

Game and fish license applicants permitted to register to vote simultaneously.

HF4115-Paulsen (R)

Taxes

Residential and alternative energy tax credits allowed for conservation improvements and alternative energy investments.

HF4116-Benson (DFL)

E-12 Education

No Child Left Behind Act; Minnesota directed to nullify and revoke the consolidated plan submitted to the federal Department of Education.

HF4117-Holberg (R)

Governmental Operations, Reform, Technology & Elections

Police and fire duty disability percentage increased.

HF4118-Buesgens (R)

Commerce & Labor

State-operated casino allowed private contractor management, state lottery duties expanded, net proceed deposit provided for state and educational infrastructure capital improvement fund and constitutional amendment proposed.

HF4119-Bly (DFL)

Health & Human Services

Health care availability and affordability for Minnesota children guaranteed, Minnesota Health Plan, Board, and Fund established, Office of Health Quality and Planning, ombudsman, and inspector general established and money appropriated.

HF4120-Dean (R)

Health & Human Services

Minnesota comprehensive health plan created, health carriers and employees required to offer basic health plan, and state public health programs phased into the basic health plan.

HF4121-Mahoney (DFL)

Taxes

St. Paul authorized to extend duration of a tax increment financing district.

HF4122-Tillberry (DFL)

Taxes

Local government city aid distribution formula amended.

Thursday, March 27

HF4123-Koenen (DFL)

Taxes

Agricultural purposes definition modified for classification of agricultural property.

HF4124-Kalin (DFL)

Taxes

Voluntary firefighter pension subtraction created.

HF4125-Slawik (DFL)

E-12 Education

Early childhood program for at-risk 4-year-olds established.

HF4126-Smith (R)

Governmental Operations, Reform, Technology & Elections

Fire inspectors provided coverage in the public employees police and fire plan.

HF4127-Jaros (DFL)

Taxes

School district lease purchase agreements limited.

HF4128-Tschumper (DFL)

Taxes

Income tax rates increased and general sales tax rate reduced.

HF4129-Garofalo (R)

Transportation Finance Division

Provisional driver's license holder passenger restrictions established.

HF4130-Peppin (R)

Finance

Rogers and Minneapolis commuter coach service established and funds directed.

HF4131-Smith (R)

Governmental Operations, Reform, Technology & Elections

Metropolitan Airports Commission police officers provided a one-year exemption from reemployed annuitant earning limitations.

HF4132-Kalin (DFL)

Governmental Operations, Reform, Technology & Elections

Post-sentencing officers special retirement plan actuarial cost study required.

HF4133-Kahn (DFL)

Health & Human Services

Meningococcal, human papillomavirus and other diseases vaccine information required for public and private schools.

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Crisis continued from page 15

Shortage Areas. According to the report, a new facility could "create additional competition for existing workforce resources."

Funding and complex patients


The proposed new facility would be limited in its treatment of complex patients.

Of the 31,000 admissions for psychiatric

care, more than 80 percent had other medical conditions. Whether those conditions would be severe enough to require hospitalization is unknown, but the new facility would not have "medical-psychiatry" units for patients with medical conditions, the report states.

Prairie St. John's argues that there are other facilities like theirs in the state, and usually patients are medically stabilized at a hospital before being sent to psychiatric facility.

Providing care for those on public assistance would be more costly for the state because of limitations on federal reimbursement costs. Federal regulations only reimburse Medicaid fee-for-service enrollees ages 21-64.

The facility has said it will accept all patients on public assistance, but the additional cost to the state would be about \$2 million per year, said John Ryan, special projects liaison for Prairie St. John's. 

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MINNESOTA INDEX

Crime and punishment

Adult state inmate population as of Jan. 1, 2008, excluding short-term offenders.....	9,270
Percent that are male.....	93.6
Total state inmates on Jan. 1, 2007.....	8,900
On Jan. 1, 2003.....	7,073
On Jan. 1, 2000.....	5,927
Number of lifers — prisoners sentenced to serve a 30-year term with the possibility of parole after that time — and those sentenced without parole possibility as of Jan. 1, 2008.....	554
Number who aren't Minnesotans.....	39
Number of lifers in state facilities in 2003, including non-Minnesotans.....	393
Number in 2000, including non-Minnesotans.....	344
Average age of a Minnesota prisoner at the start of 2008, 2003.....	35.6, 33.9
State inmates under age 18 at the start of 2008, 2003, 2000.....	13, 13, 27
Percent increase in the last 21 years of inmates whose governing offense is criminal sexual conduct.....	274
Average sentence length, in months, for these prisoners in Fiscal Year 1991.....	63
Months in Fiscal Year 2006.....	73
As of Dec. 31, 2007, approximate number of Level III sex offenders living in the state....	100
Of sex offenders assigned a risk, percent that are Level III, those most likely to reoffend....	13
Percent that are Level I.....	62
Inmates employed in MINNCOR Industry at start of year.....	1,283
Department of Corrections operational budget for Fiscal Year 2008, in millions	\$459.9
Number of staff	4,163
Average operating cost to house an offender for one day in Fiscal Year 2007	\$86.14
Average Fiscal Year 2007 daily population of inmates in work release.....	202
Average operating cost to house these offenders for one day in Fiscal Year 2007....	\$58.94
Amount paid in room and board by offenders on work release in Fiscal Year 2007.....	\$578,345
Amount paid in restitution to crime victims.....	\$37,271
Applications received by the Board of Pardons in 2007	39
Pardons granted.....	18
Minutes it took William Williams to die in 1906 after his neck was stretched and his feet touched the floor, before deputies pulled the rope upward causing his death by strangulation.....	14
State executions since.....	0

— M. Cook

Sources: Department of Corrections, including DOC Backgrounders: Sex Offenders in Prison (September 2007), Community Notification Act (December 2007) and Work Release Program (February 2008); adult inmate profiles on Jan. 1, 2008, Jan. 1, 2003, and Jan. 1, 2000; and Notable Statistics about the Department of Corrections; Board of Pardons Annual Report to the Legislature 2007 Activity.

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