

SESSION WEEKLY

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FOCUS ON FORECLOSURE

CAPITAL INVESTMENT BILL SHOWDOWN

1812's OVERTURE

CLIMATE CHANGE TALK

HF4134 - HF4166



SESSION WEEKLY

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On the cover: An early spring wet snow clings to the trees and shrubs around the statue of Christopher Columbus, giving the Capitol Mall monument a ghostly figure.

—Photo by: Tom Olmscheid

A budget in balance

DFL plan approved by the House, differs significantly from the governor's

By MIKE COOK AND COURTNEY BLANCHARD

The War of 1812 was fought between the United States and the British Empire after a long period of troubled relations between the two countries.

The battle over HF1812 is the DFL willingness to solve the state's projected \$938 million biennial deficit one way, compared to that proffered by the state's top Republican, Gov. Tim Pawlenty.

Unlike the battle of nearly 200 years ago, this one is not likely to end in a stalemate, although other skirmishes may be forthcoming. After more than nine hours of debate, and more than three-dozen amendments, the House was still debating the bill April 3 when this magazine went to press. A companion bill, SF3813, sponsored by Sen. Richard Cohen (DFL-St. Paul), was approved by the Senate on a voice vote earlier in the day.

A conference committee is expected to work out the differences before a final product is sent to the desk of Pawlenty, where his veto pen rests.

"Although, after this is over, I don't think there's any plan to burn down the White House or anything like that," said Rep. Lyndon Carlson (DFL-Crystal), a former history teacher.

Carlson, the bill's sponsor, said the balancing act includes budget reductions, use of reserve funds and increased revenues by closing some corporate tax loopholes. "There are no general tax increases in the proposal and we keep our commitments to schools, health care and college students."

It makes nearly \$135 million in cuts, drains \$350 million from the cash-flow account and \$250 million from the budget reserve. The reserve would be left with \$403 million; similar to the governor's proposal.

After House leaders met with Pawlenty, House Speaker Margaret Anderson Kelliher (DFL-Mpls) said the House plan's budget reserve number was adjusted to match the governor's, and leaders made sure the House

plan could accommodate the governor's concerns on issues such as increased funding to eradicate bovine TB. "I hope that the governor comes to the table and negotiates in good faith."

Rep. Paul Kohls (R-Victoria) expressed concern about draining the cash flow account to zero. "It would at least provide the potential

for some more flexibility, if the budget situation doesn't improve."

Carlson said the Finance Department has the authority to use various accounts for cash flow purposes. "If finance needs additional funds for cash flow purposes, the two big ones that would remain would be the reserve fund and the Health Care Access Fund could be used temporarily, as well, as (Republicans) did in the past. ... It's just one of those decisions you make in terms of which account you're going to use to resolve some of the budget problems that we wanted to take care of."

The governor's proposal includes reducing state spending by \$341 million, using \$250 million of the state's \$653 million budget reserve and taking \$250 million from the surplus in the Health Care Access Fund. It also

First Reading continued on page 4



ILLUSTRATION BY PAUL BATTAGLIA

Some members believe the budget reduction bill discussed by the House April 3 could be ruled unconstitutional because it embraces more than one subject. Others say it is constitutional because it's all based on reducing the deficit.

First Reading continued from page 3

includes no reduction in K-12 education or local government aid, a 4 percent reduction for most state agencies and a one-eighth percent sales tax decrease.

The governor's plan leaves an anticipated \$694.54 million deficit in the 2010-11 biennium; about \$110 million more than the House plan. Neither number accounts for any inflationary increase.

Constitutional challenge forthcoming?

According to the state constitution, "No law shall embrace more than one subject, which shall be expressed in its title."

Rep. Mark Olson (IR-Big Lake) and a handful of Republicans said this bill violates that rule.

"Depending on how you want to define single subject, there's possibly as many as 28 different distinct subjects in the bill, but for sure 16 very distinct subjects that generally go through this process here in the House and the Senate as separate omnibus bills," he said.

Olson cited the 2003 "concealed carry" bill as an example of what could happen. In that case, a Ramsey Court District judge ruled in July 2004 that by amending the firearm carry language to a Department of Natural Resources bill, was unconstitutional. The Minnesota Court of Appeals upheld the lower court's decision in April 2005.

Two years ago we didn't have all these policy provisions in a finance bill, said Rep. Morrie Lanning (R-Moorhead). "This bill has way too much in it to meet the constitutional test."

House Taxes Committee Chairwoman Rep. Ann Lenczewski (DFL-Bloomington) said everything in the bill works together to balance the budget and that the current minority caucus tried the same approach in 2002 and 2005.

"We're putting everything under a single subject: solving the deficit," she said.

Bill provisions

"We incorporate several of the governor's recommendations, but differ with him in key areas," Carlson said. "We minimize his cuts to higher education, which should allow our universities to keep tuition stable. The plan does not incorporate the governor's proposed cuts to nursing homes and the disabled. In fact, the House proposal includes a 2 percent cost of living increase for nursing home workers. At a time when we are investing in a comprehensive health care system, and are advancing needed reform proposals, it is critical we strongly support our nursing home workers who are responsible for the daily care of our elderly."

The House Ways and Means Committee

provided targets for each finance division, and it was up to them to craft legislation to meet those goals. Some divisions received extra money, and some took hits. Some also included policy provisions in the bill, leading Lanning to call it an "omnibus-omnibus bill."

"No one ever said it was going to be easy to resolve these issues," Carlson said. "The final product is the result of each and every one of the divisions that are attached to the Finance Committee, and reflects their recommendations on how to resolve the issue."

Among the measures in the bill are:

- a 3 percent budget reduction for most state agencies, including the legislative budget;
- the delay of hospital rebasing of inpatient fee-for-service rates, which is expected to reduce spending by \$9.7 million in Fiscal Year 2009;
- a \$4.53 million combined cut in Fiscal Year 2009 to the Supreme Court, Court of Appeals and district courts, about half of the governor's proposal;
- a \$4 million transfer from the Telephone Assistance Plan Fund, also proposed by Pawlenty;
- the cancellation of \$2.6 million in grants for the development of renewable hydrogen initiatives that were approved last year, also recommended by the governor;
- a \$253,000 reduction to the waters division of the DNR 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;
- the governor is required to reduce by 25 percent the number of deputy commissioners, assistant commissioners and governor's office personnel supported by interagency agreements;
- 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; and
- a one-time 1 percent increase in the school funding formula for K-12 education, or about \$51 per student statewide, with the majority of money coming from a freeze in Q-Comp revenue to districts participating in the program.

The reduction to both the Minnesota State Colleges and Universities system and the University of Minnesota is proposed at \$6.1 million, compared to \$26.6 million and \$27.2 million respectively proposed by Pawlenty. "We put an end to the double-digit increase in tuition and fees last year, and we just cannot go back to the days when the state budget was balanced at the expense of students and their families," Carlson said.

A one-time \$14 million transfer from the Worker's Compensation Special Fund to the General Fund is proposed. Carlson said the Republicans took \$265 million from the special fund when they needed to balance the budget five years ago. Also, a one-time \$8 million transfer from the Workforce Development Fund to the General Fund is proposed by the House and Pawlenty.

Tax provisions

On March 31, the House Taxes Committee added several provisions to the bill that would raise money for the budget.

The provisions would:

- repeal the definition of foreign operating corporations and, therefore, tax breaks that apply to them;
- repeal the foreign royalty subtraction;
- eliminate "tax havens" so that companies doing a certain amount of business in the United States and in countries identified as a tax haven by the IRS and the Organization of Economic Opportunity and Cooperation would be subject to Minnesota's corporate franchise tax; and
- increase fees on mutual funds, meaning regulated investment companies would have to pay higher annual securities fees to the Department of Commerce.

Altogether, they are expected to rake in more than \$201 million in Fiscal Year 2009 and more than \$382 for the 2010-2011 biennium, according to nonpartisan House fiscal staff.

Though it may appear to some that the bill is being used as a dumping ground for the tax committee, Lenczewski said everything in the bill balances out to solve the deficit. She said an omnibus tax bill is still forthcoming.

"This goes far beyond what any other state has," said Jill Larson, fiscal policy director for the Minnesota Business Partnership. "We're concerned that a company with foreign operations would have its foreign income taxed simply because they were doing business in one of these so-called tax haven countries."

Tom Hesse, vice-president of governmental affairs for the Minnesota Chamber of Commerce, asked the committee to avoid repealing the entire FOC statute and instead work on tightening it up.

"The purpose back in 1988 was to place U.S. companies operating overseas at an equal footing with their foreign competitors," he said.

Rep. Mary Liz Holberg (R-Lakeville) warned the corporate money to pay increased taxes will come from outside their walls. "Where they get the money to pay the taxes is from the average consumer you and I."



Editor's note: The following Highlights are coverage of select bills heard in House committees and other House activities held March 27- April 3. 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.

ELECTIONS

Bloomington board change rejected

**Vetoed
by
the
governor**

A plan to change the framework of the Bloomington School Board met up with Gov. Tim Pawlenty's veto pen on March 27.

Sponsored by Rep. Ann Lenczewski (DFL-Bloomington) and Sen. Dan Larson (DFL-Bloomington), the bill sought to establish single-member election districts for part of the Bloomington School Board to better represent the diverse population of one of the state's largest school districts, supporters say.

In his veto message, Pawlenty said the bill provided a legislative solution that was not being sought by either the Bloomington community or school board. "It is also unnecessary because a petition process already exists in state law for community members to seek division of a school board into election districts."

Lenczewski said that unequal representation has been a recurring problem in the district, and that this bill is needed to ensure equal representation. All members currently serve at-large, but six of the seven members live on one side of the city.

The bill would have modeled the school board makeup after that used by the Bloomington City Council, consisting of four single-seat districts with the remaining three seats being filled by at-large members.

"This bill removes local control and authority from the hands of the Bloomington school district voters," Pawlenty said. "I am also concerned that this is directed only at Bloomington and invites a piecemeal approach to legislation addressing school district elections."

The bill was passed 91-42 by the House March 25 and by the Senate 41-18 on March 17.

HF1394/SF457*/CH163

— B. HOGENSON

EMPLOYMENT

Background checks for all coaches

Background checks may not just be for full-time employees in school districts anymore.

A bill approved 118-11 by the House April 1 would require coaches for all extracurricular activities to undergo background checks.

The House approved SF2369, but inserted the language of HF2782 before giving approval. Rep. Karla Bigham (DFL-Cottage Grove) and Sen. Ann Rest (DFL-New Hope) are the sponsors. The bill now returns to the Senate. A conference committee is expected to work out the differences.

Rep. Torrey Westrom (R-Elbow Lake) raised concerns about parents or community members who help with practices.

"My concern is we're going to stymie some of

that opportunity or incentive or volunteerism that comes out of those people if it's rigmarole to have a background check," Westrom said.

Bigham said it would only apply to those who came on a regular basis.

Rep. Mark Buesgens (R-Jordan) said the bill could create a burden for school districts which are already strapped for cash.

"We've got an issue, but we've got an issue that should be dealt with with a tweezers; instead, we're dealing with this issue with a nuclear bomb," Buesgens said.

Bigham said the bill is proactive and comprehensive and has the support of the Minnesota School Boards Association and the Minnesota State High School League.

"If this prevents one incident, then this law has been successful," Bigham said.

— T. HAMMELL

SNOWY MORNING

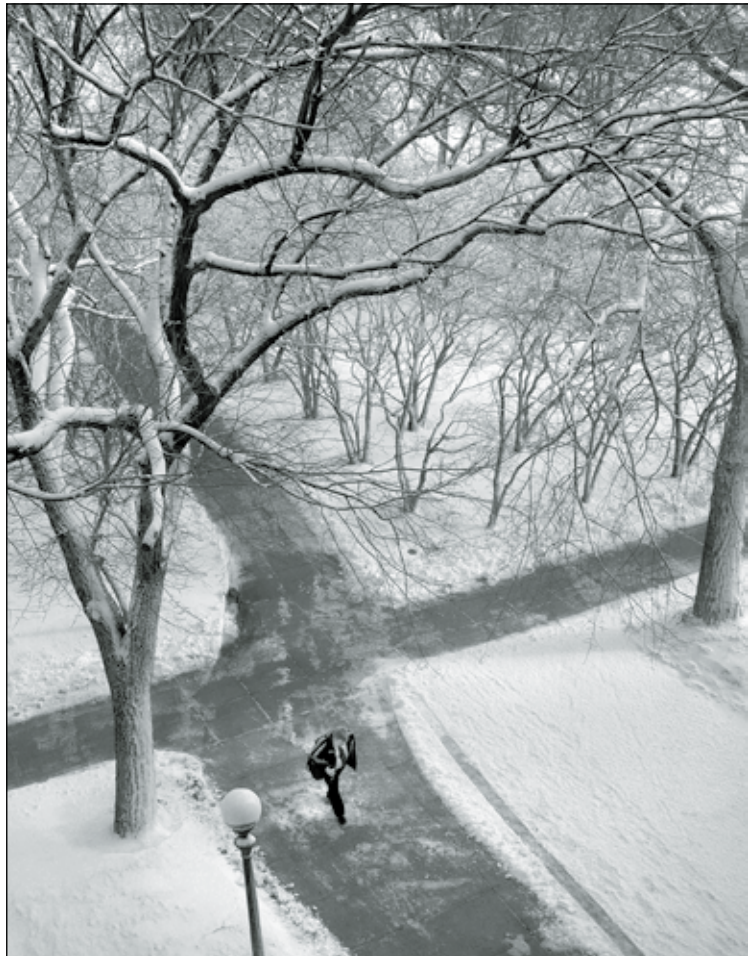


PHOTO BY ANDREW VONBANK

A House employee walks into the State Office Building on a snow-filled April 1 morning. A March 31 storm coated the Capitol Complex in white for possibly the final time this spring.

KEEP FUNDING AFLOAT



PHOTO BY TOM OLMSCHIED

In addition to wearing a tiara to celebrate her birthday, Hannah Stoll, an eighth-grader at Forestview Middle School, wears a life vest along with other Brainerd residents during an "SOS-Save Our Schools" rally April 1 in the Rotunda that is designed to express concerns over public school funding issues. The vests symbolize that Brainerd residents are drowning in excess levies.

Conflict of interest exception

Love can make things complicated, especially if you're on the school board and your husband is the head of the school's custodial union. A bill passed 129-0 by the House April 1 could clear up this situation.

HF2785/SF2653*, sponsored by Sen. Don Betzold (DFL-Fridley) and Rep. Paul Gardner (DFL-Shoreview), would establish a conflict of interest exception for cases when the spouse of a school board member is part of a class of employees contracting with the school board. It now awaits action by the Senate.

The board could use the exception when competitive bids are not required by law and spouses would not benefit more than other members of the group. The spouse would have to abstain from voting on the contract.

Gardner said the bill was the result of a situation that occurred in the Mounds View School District, where a school board member's husband was the head of the school's custodial union. The member said she would excuse herself from the vote, but was asked to step down.

"The amended bill simply clarifies the existing statute, which everybody has simply been abiding by for many years," Gardner said.

Gardner said the bill would also protect the spouses of paraprofessionals, bus drivers and other school employees.

— T. HAMMELL

If you have Internet access, visit the Legislature's Web page at: www.leg.mn

ENVIRONMENT

Landfill siting bill criticized

Opponents of a plan to use a special test to help prevent the siting of landfills in areas that are geologically sensitive to groundwater contamination lined up March 31 to poke holes in the proposal.

HF3997, sponsored by Rep. Julie Bunn (DFL-Lake Elmo), would require that all proposed new landfill sites in the state be tested to determine whether any groundwater supplies beneath them contain relatively high concentrations of tritium, a radioactive isotope of hydrogen. Tritium was spread throughout the atmosphere by above-ground nuclear weapons testing in the 1950s, and its presence in groundwater usually indicates that a pathway exists for contaminants to infiltrate underground aquifers from the surface. Bunn's bill would forbid the Pollution Control Agency from issuing any permits for the construction of a new landfill on a site that contains concentrations of five or more "tritium units."

The House Solid Waste, Recycling and Resources Conservation Working Group held an informational hearing on the bill, but took no action. Its language is also included in the House's supplemental budget bill — HF1812, sponsored by Rep. Lyndon Carlson (DFL-Crystal).

Chuck Donkers, a geologist for Xcel Energy, presented a laundry list of problems with the bill, including that it had gone through only

a limited technical review and that many of its potential impacts are unknown. He also questioned its potential environmental benefits, arguing that no evidence exists of any contamination of groundwater from modern landfill facilities, which use liners to prevent the infiltration of pollutants into groundwater. Older landfills did result in contamination, he said, but, "To use those as a benchmark ... is inappropriate."

Annalee Garletz, a lobbyist for the Association of Minnesota Counties, was among several testers who pleaded for more time to look at the implications and impacts of the legislation.

"We're just asking for more time to go through this decision-making process," she said.

Defending her bill, Bunn emphasized that the tritium testing would be used only as an additional screening tool for the PCA, and would not replace the agency's current landfill permitting process. She added that the bill's language contains a process by which those seeking a permit could appeal to the PCA commissioner if they believe the results of the tritium test did not accurately reflect the potential for groundwater contamination at the site.

A companion bill, SF3703, sponsored by Sen. Kathy Saltzman (DFL-Woodbury), awaits action by the Senate Environment and Natural Resources Committee.

— N. BUSSE

GOVERNMENT

Sviggum moves toward confirmation

Former House Speaker Steve Sviggum received approval March 31 from the Senate Business, Industry and Jobs Committee to be commissioner of the Department of Labor and Industry. He was appointed to the position in July 2007 by Gov. Tim Pawlenty.

For 29 years, Sviggum represented District 28B in the House of Representatives, including eight years as Speaker of the House.

In his new role, he manages a department of 500, which oversees workplace issues. "Our goal is simple — that everyone goes home at night from their workplace," he said.

He told the committee he has moved from an advocate role in the Legislature to one of regulation, "in a fair and just way for the good of Minnesota and regulating the intent of the laws you pass."

Senate President James Metzen (DFL-South St. Paul), who chairs the committee, said there was concern about possible partisanship when Sviggum's appointment was announced;

however, he complimented Sviggum on his balance and fairness. "You've become a pretty good manager," he said.

The Senate Health, Housing and Family Security Committee voted to recommend Dr. Sanne Magnan's confirmation as state health commissioner. Magnan was appointed to head the Department of Health in November 2007.

Both appointments await action by the full Senate.

— L. SCHUTZ

Attorney general's office review

There will be an investigation into alleged misconduct at the Office of the Attorney General. The Legislative Audit Commission met March 28 with Legislative Auditor James Nobles to discuss an inquiry into allegations and began to outline the issues. No vote was taken by the commission.

Rep. Steve Simon (DFL-St. Louis Park), who worked in the office from 1996 to 2001, said that although recent media coverage can only be classified as allegations, because the attorney general is "the people's attorney," everyone in the office "has to be held to the highest possible standard."

Among the allegations is the claim that some attorneys in the office were pressured to give bad advice to state agencies, attorneys were pressured to post positive comments on blogs supporting the office and false information was provided on sworn affidavits.

With the severity of these claims, and the potential for a political impact, Simon believes the Office of the Legislative Auditor would be the best organization to conduct an investigation. He also said that any investigation should not delve into managerial matters, such as activities in the office dealing with unions.

Sen. Ann Rest (DFL-New Hope) raised concerns of an official "fishing expedition" into the workings of the office, possibly setting a precedent for future investigations of other state officials.

Rest then asked Nobles if his office could conduct an investigation without the commission making an official request. Nobles said that current statute does provide him with the authority to conduct an investigation if he feels it is warranted. And based on recent findings, Nobles said, an investigation could move forward.

Nobles also said that although he has no interest in conducting a "broad ranging investigation of the attorney general or anyone else," the office should not view the commission's decision not to vote on a request for a report as a lessening of his office's authority in pursuing the issue.

— C. GREEN

DAY ON THE HILL



PHOTO BY TOM OLMSCHIED

AFSCME members hold a rally in the Capitol Rotunda as part of the group's April 2 Day on the Hill. Members also met with their local legislators during the day.

HEALTH & HUMAN SERVICES

Health reform modified

The House Ways and Means Committee gave its support April 2 to a health care reform bill that had its controversial provisions removed by a previous committee.

HF3391, sponsored by Rep. Thomas Huntley (DFL-Duluth), would set aggressive changes to how the state pays providers for health care and manages chronic diseases. It would also set universal coverage goals of: 94 percent of people covered by 2009, 96 percent by 2011, 97 percent by 2012 and 98 percent by 2013.

"About 75 percent of the money spent on people in health care is spent on those with chronic diseases," Huntley said.

Huntley said he worked closely with the Minnesota Medical Association to make changes to the bill, including the elimination of the Minnesota Health Insurance Exchange. The exchange would have sold health plans to individuals and employers.

Also removed from the bill in the House Finance Committee March 31 were pay for performance measures and references to health plans used by small businesses.

The bill would pay for the changes with \$43 million in 2009 from the Health Care Access Fund, \$81 million in 2010 and \$138 million in 2011. Huntley said after 2011 the costs are unknown, but they could be helped by savings from managing chronic disease better which the bill sets out to do.

Providers would submit bids for the total cost of care based on their prices to treat a set of chronic diseases.

A Health Care Transformation Commission would be created to coordinate health care transformation activities in the state. The responsibilities of the commission would include collecting data from providers on health care prices and quality, develop a implementation plan for health care payment system reform, and establishing uniform definition and methodology for calculating health care costs for providers treating patients.

Beginning Jan. 1, 2009, the health commissioner would encourage state program enrollees and those with chronic diseases to select a primary care clinic or medical group and undergo an initial health assessment to identify preventable health care needs. The groups would coordinate care and develop a comprehensive plan for each enrollee.

The bill now goes to the House floor. A Senate companion, SF3099, sponsored by Sen. Linda Berglin (DFL-Mpls), was approved 39-23 March 31. That bill was received by the House April 2 and referred to the House Ways and Means Committee.

—P. OSTBERG

Child care changes

Family care providers would have to comply with a few new regulations, under a bill approved March 28 by the House Finance Committee.

HF3376, sponsored by Rep. Neva Walker

KEEPING WATCH



PHOTO BY TOM OLMSCHIED

Lobbyists and various state department staff keep watch over omnibus bills that are being heard March 31 by the House Finance Committee.

(DFL-Mpls), would remove a loophole that allows families to receive paid assistance for caring for their own children in a child care setting.

Other changes in the bill include:

- creating a Child Care Advisory Task Force to make recommendations to the Legislature on removing barriers facing families applying for and receiving child care assistance;
- requiring that child care licensees place infants on their backs to sleep unless provided documentation by the parents from the infant's doctor;
- requiring participants in the Minnesota Family Investment Program to maintain eligibility by developing either an employment plan or family stabilization services plan;
- consolidating state laws with federal laws in regards to MFIP and Temporary Assistance for Needy Families; and
- modifying the Basic Sliding Fee allocation formula to distribute funds to counties for unmet family needs.

Walker added an amendment that would require counties and American Indian tribes to not impose residency requirements on families, except under state residency requirements.

Some counties have not allowed women to maintain county residency because they temporarily moved to another for aid in a battered women's shelter, said Jessica Webster, a Legal Services Advocacy Project advocate. Some counties require a 30-day residency and women were unable to qualify for aid, she said.

A companion bill, SF3170, sponsored by Sen. Patricia Torres Ray (DFL-Mpls), awaits action by the Senate Finance Committee.

— P. OSTBERG

Community consortium project

A demonstration project that would allow three older adult services community consortiums to pool health care funds for long-term care was approved March 28 by the House Finance Committee.

HF3955, sponsored by Rep. Paul Thissen (DFL-Mpls), would allow the human services, health and housing finance commissioners to develop a three-year demonstration project by July 1, 2009. The consortiums may consist of health care and social service providers, county agencies, health plan companies and other stakeholders to create a joint decision-making process to pool funds and provide flexibility in distributing health care

money. An evaluation report would be given to the Legislature by Jan. 15, 2013, on the performance of the projects.

Each project would be designed to:

- ensure consumer access to a continuum of older care services;
- create an adequate supply of affordable home-based alternatives to care for those in nursing facilities, or those needing a facility in the future;
- establish and achieve measurable performance targets for care delivery; and
- support the management of chronic and complex conditions through greater coordination of all services needed by older adults.

Also under the bill, consortiums would be given priority for technology-related grants, financially feasible projects to create or preserve affordable housing options for older adults and distribution of transportation-related funds to create options for older adults.

Funding would come, in part, from appropriations to the nursing home moratorium exceptions process for the biennium ending in June 30, 2011. According to the fiscal note prepared by the Department of Finance, \$3 million was appropriated by

the Legislature for nursing home moratorium projects during the 2008-09 biennium. The health commissioner could reserve 10 percent of those funds to distribute to projects of the consortium.

The bill now goes to the House Ways and Means Committee.

A companion bill, SF3673, sponsored by Sen. Tony Lourey (DFL-Kerrick), awaits action by the Senate Finance Committee.

— P. OSTBERG

HOUSING

Help to preserve home ownership

A bill that would increase the financial assistance cap for those participating in a program to prevent mortgage foreclosures was passed 127-2 by the House April 1.

Sponsored by Rep. Jim Davnie (DFL-Mpls), HF3346 would help families and individuals in financial crisis by increasing money available in the Foreclosure Prevention Assistance Program. Currently the cap is set at \$5,500 per individual or family. The bill would raise that to “110 percent of the greater of state or applicable metropolitan statistical area median monthly owner cost of owner occupied housing ... multiplied by six.” The change would amount to a \$10,718 cap for Twin Cities metropolitan area homeowners and \$9,478 in Greater Minnesota.

Tonja Orr, Minnesota Housing Finance Agency assistant commissioner, earlier told a House committee that foreclosure prevention counselors have said that monthly mortgage payments multiplied by six frequently exceed the \$5,500 cap. Therefore, they’re not able to help people who may have had a temporary loss of income and can’t catch up from the crisis, she said.

“Given the run up in housing values over the last decade, that assistance is not sufficient in many, many cases,” Davnie said.

The cap was last changed in 2001, and instead of coming back to the Legislature for another change, the adjusted standard would be built into the bill, Orr added. The only way loans are released is if the homeowner can solidly make payments after use of program funds.

The bill now goes to the Senate where Sen. Linda Higgins (DFL-Mpls) is the sponsor.

— P. OSTBERG

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LOCAL GOVERNMENT

Setting a foundation for annexation

A bill born out of the work of the Municipal Boundary Adjustment Advisory Task Force received House approval March 31.

Sponsored by Rep. Paul Marquart (DFL-Dilworth), HF3357, in part, states that joint resolutions for orderly annexation, consolidations and mergers of towns and municipalities should be encouraged.

Approved 130-0 in the House, it now goes to the Senate, where Sen. Rick Olseen (DFL-Harris) is the sponsor.

“This bill sets a great foundation for future issues that are going to be discussed by this task force,” Marquart said. “The work of this task force is going to be ongoing and they look forward to discussing some of the bigger issues that will be coming up.” He said townships and cities support this plan.

Rep. Torrey Westrom (R-Elbow Lake) said annexation issues are unfairly tilted to favor cities over townships, leaving township residents frustrated at a process that always seems to bow to the desires of cities in the end.

“Why go through this dog-and-pony show when the outcome is already guaranteed for the city that wants to annex?” Westrom asked.

Agreeing that the task force still has issues to work out between cities and townships, Marquart said the bill contains the low-hanging fruit that both sides could agree on.

The task force was established in 2006 and amended in 2007 to extend the life of the task force into 2008.

An amendment to the bill would extend the timeline for when the task force would have its final work completed from June 30, 2008, to Jan. 15, 2009.

— B. HOGENSON

Reporting date change

Signed
by
the
governor

County governments will have an additional month to report their budget data to the state auditor.

Sponsored by Rep. Debra Hilstrom (DFL-Brooklyn Center) and Sen. Claire Robling (R-Jordan), HF3522/SF3461* was passed April 1 by the House 129-1, and by the Senate March 19 66-0. The bill was signed by the governor April 3

The law changes the date that summary budget data must be provided to the Office of the State Auditor from Dec. 31 of the year preceding the budget year to Jan. 31 of the budget year.

Hilstrom said the issue was brought to her

attention by the state auditor because meeting the current reporting date is impossible, and this makes the state statutes match current reporting practice.

— B. HOGENSON

Donations to nonprofits

Political subdivisions may be permitted to donate gifts to nonprofit organizations.

Sponsored by Rep. Jim Davnie (DFL-Mpls), HF3220 was passed by the House 97-33 April 1. Received by the Senate one day later, the bill awaits action by the Senate Rules and Administration Committee. Sen. Jim Vickerman (DFL-Tracy) is the Senate sponsor.

According to Davnie, the bill would authorize a political subdivision to give money or make in-kind gifts to nonprofit organizations classified as 501(c)(3) groups. Such groups are restricted from lobbying or supporting political parties.

The gift must be for public purpose that supports educational, social service, health or charitable purposes. It must be presented and voted on at a regularly scheduled meeting of the subdivision’s governing body.

“The idea of taking taxpayer money and giving it to nonprofit groups is something we need to be concerned about,” said Rep. Paul Kohls (R-Victoria). He added that if members of the House were honest with themselves they might question whether some of the work being done by nonprofits is really worthy of taxpayer support.

Amendments unsuccessfully offered by Rep. Mark Buesgens (R-Jordan) would have prohibited any taxpayer dollars from going to nonprofits affiliated with political parties and prevented political subdivisions currently receiving less state aid than the previous year from donating to nonprofit groups.

Davnie said that Buesgens was ignoring the language in the bill that specifies any gifts must be for public purpose.

An amendment offered by House Minority Leader Marty Seifert (R-Marshall) would have specified that political subdivisions cannot give monetary or in-kind grants to groups that provide abortions. It failed 66-64.

“Our tax dollars and local government aid should not be used to fund the abortion industry,” Seifert said.

— B. HOGENSON

Dollars to prevent demolition

What can you do with an eight-story gothic tower built more than 100 years ago? Don’t demolish it!

That’s what Fergus Falls Mayor Russ Anderson told the House Property Tax Relief

and Local Sales Tax Division March 28.

The Department of Human Services is phasing out its use of the Fergus Falls Regional Treatment Center, built in the 1880s to treat the mentally ill. The historic Kirkbride building is in good condition; but without any purpose, it will likely be torn down, Anderson said.

Fergus Falls businessman Richard Anderson is turning to an unlikely source for help: China. He and other community members are partnering with officials from the Hunan province of China to develop an Institute for Cross Cultural Studies in Fergus Falls. The plan calls for the Kirkbride building to be converted to dorms, classrooms and a campus, which would accommodate about 1,000 students. Financial support for the project would be split between Chinese and U.S. sources.

"We know what will happen if this project will not come to fruition, and we're talking about some \$7 million effort to demolish that very property," Russ Anderson told the division. "We need your help to make this project work."

Rep. Bud Nornes (R-Fergus Falls) sponsors HF3064, which would give the school a 15-year exemption on property taxes. The bill was laid over for possible inclusion in the division's omnibus bill. Sen. Dan Skogen (DFL-Hewitt) sponsors the companion, SF2713, which awaits a hearing in the Senate Taxes Committee.

— C. BLANCHARD

Filling a county board vacancy

A bill governing the process used to fill vacancies on a county board received House approval.

Sponsored by Rep. Bill Hilty (DFL-Finlayson), HF3662 would require a public hearing to be held before a county board fills a vacancy by appointment.

Approved 131-0 by the House March 31, it now moves to the Senate, where Sen. Tony Lourey (DFL-Kerrick) is the sponsor.

Hilty said the bill would require that before a county board can make an appointment to fill a vacancy, it would have to hold a public hearing regarding the vacancy and notify the county commissioner and public officials that hold office in that district, such as town boards and city councils.

The bill was amended to strike a section that would have shortened from two years to one year the length of time a person appointed to fill a vacancy is allowed to serve before an election must be held to fill the vacancy.

— B. HOGENSON

MILITARY

Vietnam Vets have their day of honor

Signed
by
the
governor

Minnesota Vietnam Veterans had their first official day of honor in the state on March 29, the effective date of a new law signed by Gov. Tim Pawlenty two days earlier.

The new law, which commemorates the

withdrawal of American troops from Vietnam on March 29, 1973, "is one small thing we can do for the men and women who served in Vietnam," said Rep. Larry Howes (R-Walker), who sponsors the law with Sen. Dan Skogen (DFL-Hewitt).

Vietnam veterans came home to jeers because of the unpopular war, and Howes said the law is an effort to raise awareness to the "cost of freedom" and "welcome them home."

"This is a touching issue because individuals who served in Vietnam weren't thanked at all. What we need to do is show them how proud we are of them, even though many years have passed," said Rep. Dennis Ozment (R-Rosemount).

HF2582*/SF2632/CH164

— L. SCHUTZ

TAXES

Airport tax hits turbulence

For more than 10 years, the St. Paul Downtown Airport has avoided city and school taxes in exchange for payments to the St. Paul Police and Fire departments and a promise that businesses affiliated with the airport would mentor local students interested in aviation careers.

A bill sponsored by Rep. Carlos Mariani (DFL-St. Paul), HF3509, would eliminate the tax exemption passed by the Legislature in 1996. The House Property Tax Relief and Local Sales Tax Division laid over the bill March 28 for possible inclusion in its omnibus bill.

Currently the airport is liable only for county and special taxing district property taxes, which is also the case at Minneapolis-St. Paul International Airport.

The bill sparked a discussion about whether the tax breaks are beneficial to the city.

Some argued that businesses park their planes at the St. Paul airport because of the tax breaks, and in return, they create jobs for the community.

Clint Kummer, general manager for Signature Flight Support, said that before the tax break, "St. Paul was underutilized and struggling." Kummer's company provides ground support for aircraft, and he said that business is much better now, thanks to the 1996 legislation.

"With the recent economic downturn, it really impacted our industry as a whole," he said. "The soaring fuel prices, combined with additional taxes and the competitive advantage Minneapolis would again enjoy, would endanger the prosperity and future of our businesses at the airport."

Others questioned whether it was fair to give a tax break to the airlines, which cater



PHOTO BY ANDREW VONBANK

With the law's sponsors and supporters around him at a March 27 ceremony, Gov. Tim Pawlenty signs into law a bill designating March 29 as Vietnam Veterans Day. Rep. Larry Howes and Sen. Dan Skogen sponsor the law.

mainly to corporate traffic, when small businesses that border the airport must pay full taxes.

Mariani, who sponsored the House bill in 1996, said it's time to re-examine whether the exemption is needed, and if surrounding property owners are unfairly picking up the tax burden.

"That's become increasingly acute given the fact that the city of St. Paul has ... real loss of ground in LGA," he said, referring to state-allocated Local Government Aid.

Sen. Sandy Pappas (DFL-St. Paul) sponsors the companion bill, SF3731, which has been laid over for possible inclusion in an omnibus tax bill.

— C. BLANCHARD

JOBZ — mistake or just misused?

The state's JOBZ program is anything but a black-and-white issue. While some are calling for its repeal, others can't seem to agree on how to fix it.

Launched in 2004, the program is the brainchild of Gov. Tim Pawlenty. It was intended to create jobs in rural Minnesota, and about 300 businesses have signed on to receive more than \$45 million in tax breaks statewide.

The nonpartisan Office of the Legislative Auditor released its report on the program in February, and explained it to the House Taxes Committee on March 31.

In a nutshell, findings are that the program is misused, and in some cases doesn't work at all, but if corrected, it could spur job creation in the state.

After public officials and the business community weighed in, the end conclusion wasn't so clear.

"JOBZ was supposed to create jobs, and it's really not doing that," said Committee Chairwoman Rep. Ann Lenczewski (DFL-Bloomington).

She advocates eliminating the program altogether and sponsors a bill, HF4103, that would substitute JOBZ for grants allocated to businesses that are currently receiving the tax credits, but they would need to prove eligibility. The bill was discussed at the March 19 meeting and public testimony is expected at a later meeting. There is no Senate companion.

"A business expansion that creates five jobs in a little town like Lancaster, Minn. ... is a benefit to the community and may not have a large cost to the program," said Dan McElroy, commissioner of the Department of Employment and Economic Development. He argued to keep the program, but didn't agree with all of the auditor's recommendations, like placing a cap on the number of subsidies.

Tom Hesse, vice-president of government

CLOSE-UP VIEW



PHOTO BY ANDREW VONBANK

Emily Thissen, lower left, daughter of Rep. Paul Thissen, and her friend, Giselle Durand, view a television monitor under the speaker's rostrum during a March 31 floor debate in the House Chamber.

affairs for the Minnesota Chamber of Commerce, said the chamber hasn't taken up a position either way.

"What we hear when traveling around the state ... many local chambers of commerce think it's an important tool to use," he said. "As you might expect, we have some members on the other side of the issue as well."

— C. BLANCHARD

TRANSPORTATION

Temporary permit display expansion

A bill to help a state entity more efficiently administer a temporary license plate program received overwhelming House support.

Sponsored by Rep. Connie Ruth (R-Owatonna), HF3089 would allow the Driver and Vehicle Services Division of the Public Safety Department to issue a 60-day permit for certain vehicles when initially registered.

"Currently if you order a special plate, you would have to get a regular plate while the special plate is being produced," Pat McCormack, the division director, previously told the House Transportation Finance Division. "So we're

using that plate for a very short time — maybe three to four weeks — and then we have to make sure we get the plate back and dispose of it properly. With the cost of aluminum, at this point, and with the process of moving toward a flat plate program, we believe that this initiative will help to streamline our plate administration program."

Under the bill, when a dealer initially files title and registration paperwork with a deputy registrar or DVS staff, the license holder could receive a 60-day permit. Dealers would not be able to issue the special 60-day permit, so as not to confuse an owner with a 21-day permit new vehicle owners receive stating the plate has been applied for.

Approved 130-0 March 31, the bill now goes to the Senate, where Sen. John Doll (DFL-Burnsville) is the sponsor.

McCormack said that once flat plate production begins, she believes owners of specialized plates will easily get the plates within 60 days and probably closer to three weeks.

— M. COOK



Celebrating with the other side

Included in the omnibus budget-balancing bill, HF1812, is a provision allowing on-sale licensees in cities within 10 miles of the Xcel Energy Center to serve alcohol until 4 a.m. in conjunction with this year's Republican National Convention.

During the March 27 House Finance Committee meeting, Rep. Ann Lenczewski (DFL-Bloomington) wanted to ensure that her community would be included because many delegates are expected to stay in the city, which is close to the 10-mile line.

After Rep. Paul Thissen (DFL-Mpls) suggested making the limit 15 miles, Rep. Tom Rukavina (DFL-Virginia) blurted out, "... let's make it 200."

Once the laughter subsided slightly, he added, "We'll all celebrate the Republicans!"

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As a loyal reader of Session Weekly, please consider giving a voluntary donation of \$20 to help defray the publication and mailing costs of bringing you this award-winning news magazine. You can be assured that your donation will go directly to support the magazine. Mail your check, made payable to Minnesota House of Representatives, to:
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A picture says a thousand words

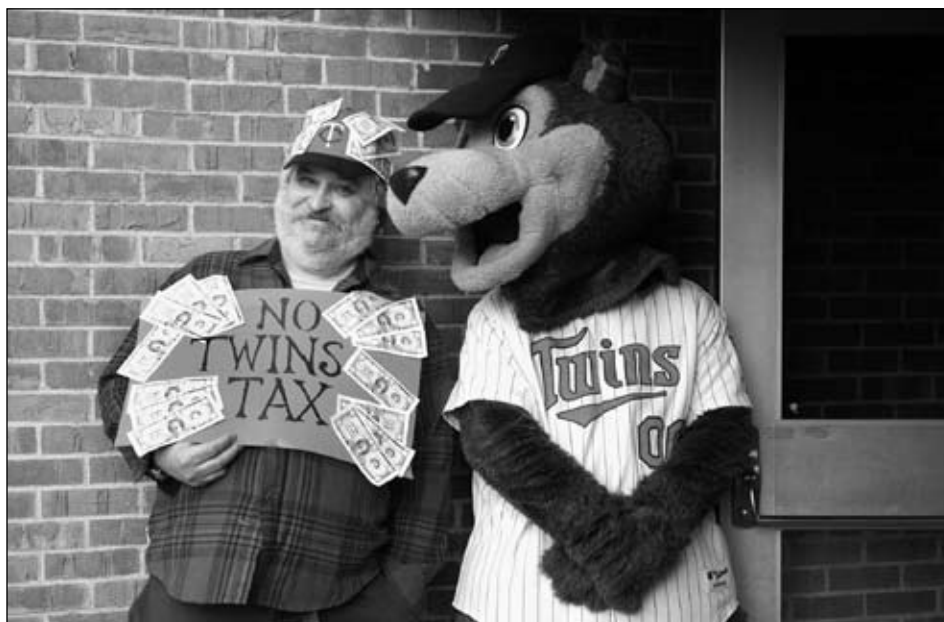
House photographer's archive track events at the State Capitol

Session Weekly, the nonpartisan news magazine of the Minnesota House of Representatives, celebrates 25 years.

Created in 1984, the magazine educates and encourages the public to participate in the legislative process. In the early issues, there were no photos on the pages of Session Weekly. But since 1988, images captured by House photographers have added a visual dimension to the magazine, and, to this day, contribute to its popularity.

These photos not only give us a look at some historical events, but visually capture issues affecting the people of Minnesota.

1986 — Pat Christianson, front, who farmed with her husband near Elbow Lake, was among about 2,500 people that rallied at the Capitol for legislation to help indebted farmers.



2006 — Dave Garland, left, holds his sign as Twins mascot, T.C., holds the door open at Oak Grove Middle School in Bloomington to welcome people to a House Taxes Committee hearing on a proposed new ballpark for the team.



2005 — Members of the Welfare Rights Committee of the Capitol Rotunda, while sixth graders lay on the floor to get a better view of the



Committee drape their protest sign from the second floor of the dome during an April 29 Capitol tour.



2001 — The Dalai Lama addresses a joint session of the Legislature May 9. House Speaker Steve Sviggum, top, listens to the address.



1988 — Rep. Wayne Simoneau put a bag over his head to show his lack of enthusiasm for the environmental trust fund during a hearing of the House Rules Committee. He did vote yes, but thought a portion of state lottery proceeds should go to education.



1991 — As he makes his way through a tax fairness rally outside the front doors of the Capitol, Rep. Jim Rice passes out dimes similar to what John D. Rockefeller once did to the poor. His sign read: "The Reincarnation of John D. Rockefeller."

Photos by Tom Olmscheid

Capital investment bill showdown

Proponents say it's about jobs; critics call it breaking the bank

By LEE ANN SCHUTZ

A \$1.09 billion capital investment bill is in the hands of the governor. Proponents call it a jobs bill to help an ailing economy. Critics call it veto-bait because it is about \$100 million higher than the governor's proposal, and does not adhere to a marker traditionally used to establish a bond spending limit.

HF380 lays out funding for higher education projects, transit corridors, parks and trails, new public safety facilities, hockey rinks and grants for local projects, such as wastewater treatment plants and flood mitigation measures.

Coming in at \$925 million in general obligation bond spending, the bill reflects a compromise between the House and Senate. Sponsored by Rep. Alice Hausman (DFL-St. Paul) and Sen. Keith Langseth (DFL-Glyndon), the bill was passed 90-42 by the House April 2, and 57-10 by the Senate later that day.

"We are passing a jobs bill for jobs for tomorrow," said House Majority Leader Tony Sertich (DFL-Chisholm), "The bill is balanced to every corner of Minnesota. Now we are looking for the governor to join us. This bill maintains

our guidelines for fiscal responsibility."

"We have to take the high road today," countered House Minority Leader Marty Seifert (R-Marshall).

He said that Hausman gave assurances when the original bill was passed on the House floor that the final product would not be above the \$825 million mark. He called the bill irresponsible because it comes in above the "state's credit limit" and is full of "pork projects." It is a reflection of the Senate, he said. "They rolled us again. ... Stop the nonsense and send a message to the other body that we meant it when we said we would not break the debt limit."

"This bill is fiscally irresponsible and has misguided priorities," Pawlenty said

after reviewing the April 1 conference committee report. "Their inability to say 'no' led to a seriously bloated laundry list. We'll be carefully reviewing it and considering our options over the coming days." The governor received the bill April 3, and has three days to act. He could veto the entire bill or line-item out provisions he does not support.

Calculating debt

Since about 1979, 3 percent of General Fund spending has been the target for general obligation bond spending. And the governor has said that a bill beyond that threshold would not make it past his veto pen.

Depending on how the numbers are calculated, there is dispute whether this bill exceeds that mark, an indicator questioned by House and Senate DFLers. Some advocate for one used by several states that is based off a percent of personal income. They also say that the sale of bonds can be staged in such a way that spending will not exceed 3 percent in any given year.

To assure the governor of legislative intent, a provision is included in the bill that affirms



PHOTO BY TOM OLMSCHIED

Rep. Alice Hausman, *standing left*, answers a question April 2 about a portion of the Capital Investment Conference Committee report.



PHOTO BY SARAH STACKE

A miniature toy gorilla sits on the desk of House Minority Leader Marty Seifert, symbolizing a component of the capital investment bill that has been a target of his criticism. Included in the bill is \$11 million that, in part, would improve the gorilla living quarters at the Como Zoo in St. Paul.

Capital Investment continued from page 16

the use of Department of Finance guidelines in calculating the debt service limits.

What’s in, what’s out

Nearly half the conference committee agreement, \$412 million, would be allocated to projects at the University of Minnesota and the Minnesota State Colleges and Universities system.

While the governor had asked for \$40 million to acquire land for a new Lake Vermilion State Park, he comes up empty-handed, largely because negotiations with U.S. Steel continue for the northern Minnesota land with no agreed upon price, said Hausman.

The governor’s request for nearly \$34 million to fund renovations to the Minneapolis Veterans Home is also absent. Hausman explained that there will most likely be a separate proposal this year to reevaluate how veterans needing long-term care are housed in the state. “Some

think that we should be turning to local nursing homes, so they can remain closer to home.”

A proposal to fund biomedical science research facilities at the University of Minnesota would not receive direct funding from the state’s bonding capabilities. Instead, the bill calls for the university to use its own bonding authority to fund the project, with the state providing an appropriation for up to 25 years or not more than \$219 million from the General Fund to pay the debt service.

Rep. Loren Solberg (DFL-Grand Rapids) said this is similar to the mechanism used to fund the new university stadium.

The bill lays out a complex transit system that, when complete, would connect the state’s regional centers, Hausman said. “For the first time, we are saying we are not doing a line-by-line, but a complete system.” Funding is also provided for study of a high-speed train from St. Paul to Chicago.

A proposal for \$11 million to fund gorilla and polar bear exhibits at the Como Zoo is

included in the bill. This once again raised the ire of House Republicans, citing it as an example of misplaced priorities.

“We have veterans who go to war and we don’t have money for the veterans home, but we have money for the gorillas,” Seifert said.

Also included in the bill is money for several hockey arenas and community and sports centers across the state, including \$38 million for a new arena in the Duluth, a project that was in last year’s vetoed capital investment bill, and has the support of the governor.

Whatever the outcome of the bill, Hausman is committed to getting a bonding bill passed this year, unlike last year’s vetoed bill, which she sponsored. She said there are three other bill options waiting in the wings. “I won’t let a day go by without progress toward a bonding bill to put people to work,” she said.

Quick-start comes to quick-stall

The bill got off to a quick start when it was passed by the House and Senate on March 6, less than a month after the start of session, with the House, Senate and governor proposing about \$965 million in general obligation bonding.

But things changed after the dismal February economic forecast was digested, forecasting a projected biennial deficit of nearly \$1 billion. Using the 3 percent cap as a guide, the governor asked that the bill not exceed \$825 million in general obligation bonds. While Hausman said she was open to a lower number, Langseth dug in his heels. “This is the time to have a large bonding bill — to get people back to work,” he said.

After several weeks of closed door negotiations, the Capital Investment Conference Committee met on April 1 and came to agreement. But coming in \$100 million higher than the governor’s recommendation, and missing at least two of his key projects, opens speculation that the bill won’t sit long on his desk. 🐼

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Secretary of the Senate		
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Senate Index		
110 Capitol	296-2887	
Committee Hotline, Senate	296-8088	

Cap and trade conundrum

In order to move forward on climate change, Minnesota will have to wait

By NICK BUSSE

When the Legislature enacted a law last year committing Minnesota to an 80 percent reduction in its greenhouse gas emissions by 2050, it sealed the debate on global warming — sort of.

Many Republican lawmakers still voice skepticism about whether manmade climate change is real, but with Gov. Tim Pawlenty calling for aggressive climate change mitigation policies, and with the DFL-controlled Legislature more than happy to oblige him, the state is rapidly moving down the path of a greener energy economy.

Well, sort of.

Although steady progress is being made on a variety of legislation to address climate change, the one that would make the biggest impact remains elusive: a cap-and-trade system for greenhouse gasses.

In a cap-and-trade system, a strict limit is placed on the emission of certain pollutants. Emitters are then issued pollution “allowances” that they can buy, sell and trade with one

another. The idea is to create a clear financial incentive to reduce pollution while still providing polluters with a degree of economic flexibility. Such a system was successfully used by the federal government to reduce acid rain in the 1990s, and many believe it’s the ideal solution to global warming as well.

The problem is that if Minnesota goes it alone, it could put the state at an economic disadvantage with the rest of the country.

That being the case, Pawlenty has committed the state to negotiations for a regional cap-and-trade system; however, there’s no guarantee the talks will bear out a viable solution, and some lawmakers think the Legislature should have a larger role in the process.

HF3195, sponsored by Rep. Kate Knuth (DFL-New Brighton), is intended to achieve that purpose. Also known as the “Green Solutions

Act,” it would initiate a pair of studies and lay out some general principles that any cap-and-trade system should include. The bill awaits action by the House Finance Committee.

In its original form, the bill would have established a statewide cap-and-trade program, but Knuth has since pared it down so that it only lays the groundwork for the regional system.

“I think that people pretty much get that a statewide cap-and-trade system is too small,” Knuth said.

The results of the regional negotiations are expected later this fall. Edward Garvey, director of the Office of Energy Security and the self-described “point person” for the governor on climate change issues, has asked the Legislature not to take any action on cap-and-trade this year, arguing that it could adversely impact the negotiations. Knuth dismisses that claim.

“I actually think it could strengthen (the governor’s) hand in terms of, ‘This is a statement of my Legislature,’” Knuth said.

Many still skeptical

Regardless what happens to Knuth’s bill, it’s clear that, for now, progress on cap-and-trade is largely beyond the Legislature’s control.

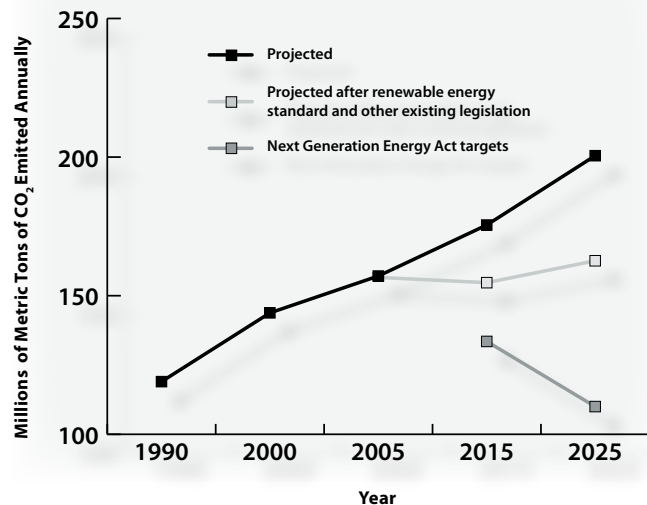
That’s just fine with Rep. Mike Beard (R-Shakopee), to whom the argument over whether a regional cap-and-trade system is better than a statewide one misses the point entirely.

“My truck isn’t with the concept of cap and trade. It’s ‘why are we doing it?’” Beard said.

Beard and many of his Republican colleagues remain skeptical of the science behind climate change. To a large extent, they see the issue as a red herring — an excuse to experiment with Soviet-style massive government intervention.

“I always wondered where did all those state central planners go that used to do all these marvelous five year plans and great leaps forward that I always used to hear about when

Greenhouse Gas Emissions in Minnesota



Source: Minnesota Climate Change Advisory Group Draft Final Report

Cap and trade continued on page 19

The land trust model

A new way to help homeowners and their neighborhoods

By PATTY OSTBERG

In 2006 the Twin Cities metropolitan area experienced about 11,000 sheriff's sales of homes. When figures are released for 2007, that number is projected to more than double, according to HousingLink, a Minneapolis-based nonprofit that provides information on affordable housing. In Greater Minnesota, between 2005 and 2007, about 15,000 families are projected to have lost their homes, HousingLink reports.

With the number of foreclosures growing, there is a suggestion to address the problem with the use of land trusts. Rep. Karen Clark (DFL-Mpls) introduced land trust legislation as part of the current capital investment bill.

In HF380, sponsored by Rep. Alice Hausman (DFL-St. Paul), the Minnesota Housing Finance Agency would be required to bring together people involved in community land trusts, providers of mortgage foreclosure prevention services, bankers, individuals who have experienced mortgage foreclosure, legal aid attorneys and a representative of the property tax division of the Department of Revenue to discuss several topics, including:

- the use of 501(c)(3) bonds as a means to prevent residential mortgage foreclosures and to address the effects of widespread residential mortgage foreclosures;
- means to make the Community Activity Set-Aside program more accessible to neighborhood land trusts; and
- alternative tax classifications for neighborhood land trust properties to make more equitable taxation of properties and

provide incentives for land trust utilization.

A report would be due to the Legislature by Jan. 1, 2009.

"Whole communities are being devastated by the kind of foreclosures that have already happened or are coming," Clark said in a Feb. 19 meeting of the House Housing Policy and Finance and Public Health Finance Division.

Jeff Washburne, City of Lakes Community Land Trust director, said land trusts are a way to bring communities together and keep homes affordable beyond the first sale to subsequent home buyers.

They work in this way: say an individual is buying at home at the cost of \$200,000. The land trust would supply a down payment, in the form of a grant, of \$50,000. The homeowner then receives a loan for \$150,000.

If the homeowner wants to sell the property, the front-end investment of \$50,000 stays with the house. The seller receives 25 percent of any increase in value based on the difference between the purchase appraisal and the appraisal when it's sold. The remaining

75 percent would be added to the initial \$50,000 and is passed onto the next household.


Along with helping clients get into affordable housing, equally important is working with homeowners to break the cycle of foreclosures in low-income areas, Washburne said. The land trust offers ongoing homeowner education, community participation, and finance reassessment. The land trust is one of nine in the state and has been operating for about 10 years.

"We create ownership opportunities that otherwise wouldn't be created or be provided to low- or moderate-income houses," he said. Last year in Hennepin County, there were more than 700 foreclosures. These land trusts bring those assets back into the community, he said.

Chip Halbach, executive director for Minnesota Housing Partnership, said because of the cutbacks in federal funding for public housing units, land trusts are becoming even more viable. "The best way to stop long-term homelessness is to keep people in housing," he said.

The crisis is a pressing statewide issue, Halbach said. It affects the neighborhoods, communities and the state. "We believe the community land trust model is one of the solutions that would be particularly valuable in those impacted communities," he said.

The City of Minneapolis recently calculated that it would cost to up to \$200,000 to turn a trashed-out vacant home back to the marketplace. Of that \$200,000, as much as \$75,000 needs to be subsidy. That's a large investment of public dollars, Halbach said.

It begs the question: how do you best distribute monies so the value of investment can be maintained for future home buyers? "The land trust model is one way and a good way to that," Halbach said, adding, "The pulling together of the working group is going to be a very important contribution to the overall approach to deal with the foreclosures." 

A summary of sheriff's sales for 2005-2007

Region	2005 Sheriff's Sales	2006 Sheriff's Sales	Percent Change '05-'06	2007 Sheriff's Sales (Projected)*	Percent Change '06-'07 (Projected)
7-County Metro	3,759	7,039	87%	12,885	83%
Greater Minn.	2,707	4,168	54%	7,688	84%
Minnesota	6,466	11,207	73%	20,573	84%

Source: HousingLink

* 2007 projected numbers are based on 2007 Q1-Q3 actual sheriff's sale counts

Bipartisan focus on foreclosures

House moves on to help with mortgage foreclosure crisis

By CRAIG GREEN

At the end of last session, a bill sponsored by Rep. Joe Mullery (DFL-Mpls) cracking down on predatory lending was signed into law. It provides restrictions on “special mortgages,” prohibits various fees and provides borrowers with a private cause of action against mortgage lenders who violate certain laws.

The law was ahead of the country in many respects, according to a University of Minnesota report. Mullery believed that more needed to be done, and during the summer, he convened a group to look into laying out plans to aggressively deal with issues related to people facing foreclosure.

This group included DFL and Republican legislators, representatives from Legal Aid, Hennepin and Anoka counties, the City of St. Paul, HousingLink, Minnesota Bankers Association, Office of the Attorney General and the housing advocacy group Minnesota ACORN.

From this, five working groups emerged: the Renter Working Group; the Remedies Working Group; the Foreclosure Data Group; the Foreclosure Prevention Working Group; and the Vacancies Working Group.

Through this process, Mullery wanted to draft a series of bills that could be passed and survive a veto from the governor. At this point, it seems to be working out.

By April 1, at least 18 bills were drafted, and to date, seven bills dealing with mortgage foreclosure issues had passed the House with overwhelming support. At least two additional bills, including the Minnesota Subprime Foreclosure Deferment Act, are waiting to be heard on the House floor.

“People are hurting, neighborhoods are declining, our economy is wavering and the credit market is collapsing under the weight of this foreclosure crisis. These bills expand the options and resources available to homeowners to help Minnesotans avoid foreclosure,” Mullery said.

The main concerns

Of the issues raised, early intervention surfaced as the top concern. “The biggest way to help most people is to get them counseling,” Mullery said. If some type of support is not provided in that first 60 to 90 days, the situation often cannot be saved, he said.

HF3475/SF2912*, sponsored by Mullery and Sen. Linda Scheid (DFL-Brooklyn Park), would require lenders to notify foreclosure protection agencies when a borrower has been issued a default notice. The bill also provides

the borrower with a “preforeclosure notice” alerting them to why they are getting a notice and what services are available. Passed 51-1 by the Senate March 5, the bill now awaits action by the full House.

Renters are sometimes caught in the middle of the foreclosure process, specifically when the property they are renting goes into foreclosure and no one tells them. Out of the discussions of the Renters Working Group came two bills.

HF3517/SF2910*, sponsored by Rep. Jim Davnie (DFL-Mpls) and Sen. Linda Higgins (DFL-Mpls), expunges an eviction from a tenant’s record if the tenant vacates the premises before commencement of eviction, or was not given proper notice. It was passed 129-0 by the House April 1 and 49-0 by the Senate March 5.

Meanwhile, HF3428/SF2909*, sponsored by Rep. Bob Gunther (R-Fairmont) and Sen. Rick Olseen (DFL-Harris), would allow for a

Foreclosures continued on next page



PHOTO BY TOM OLMSCHIED

Like this home in Northeast Minneapolis, houses in foreclosure are subject to vandalism and contribute to the deterioration of neighborhoods.

Other foreclosure bills moving through the Legislature

Mortgage foreclosure bills	Sponsors	Status
HF3346*/SF3073	Rep. Jim Davnie (DFL-Mpls) Sen. Linda Higgins (DFL-Mpls)	Passed by House; awaits action by the Senate Finance Committee.
HF3428/SF2909*	Rep. Bob Gunther (R-Fairmont) Sen. Rick Olseen (DFL-Harris)	Passed by House and Senate. Senate did not concur with a House amendment. Conference committee requested.
HF3474/SF2918*	Rep. Debra Hilstrom (DFL-Brooklyn Center) Sen. Linda Higgins (DFL-Mpls)	Awaits the governor's signature.
HF3475/SF2912*	Rep. Joe Mullery (DFL-Mpls) Sen. Linda Scheid (DFL-Brooklyn Park)	Passed by Senate; awaits action on the House floor.
HF3476/SF2908*	Rep. Paul Kohls (R-Victoria) Sen. Linda Higgins (DFL-Mpls)	Awaits the governor's signature.
HF3477*/SF2917	Rep. Paul Gardner (DFL-Shoreview) Sen. John Marty (DFL-Roseville)	Passed by House; awaits action by the full Senate.
HF3478/SF2915*	Rep. Neil W. Peterson (R-Bloomington) Sen. Mee Moua (DFL-Mpls)	Passed by Senate; awaits action on the House floor.
HF3516*/SF2914	Rep. Jim Davnie (DFL-Mpls) Sen. Ann Rest (DFL-New Hope)	Passed by House; awaits action by the full Senate.
HF3517/SF2910*	Rep. Jim Davnie (DFL-Mpls) Sen. Linda Higgins (DFL-Mpls)	Awaits the governor's signature.
HF3612/SF3396	Rep. Jim Davnie (DFL-Mpls) Sen. Ellen Anderson (DFL-St. Paul)	Each awaits action on the respective floor.

tenant to pay a utility bill to keep service on when a landlord fails to pay a bill. It was passed 129-0 by the House April 1 and 63-0 by the Senate March 6.

Both bills await the governor's signature.

The real numbers

The Foreclosure Data Group discovered that it's difficult to find accurate data on properties in foreclosures. The group recommended two courses of action.

First, additional data should be provided on sales notices, including the complete address of the property, the name of the lender, whether or not the property is privately owned or owned by an investor, and whether or not the property is registered with the Mortgage Electronic Registration Systems.

The group further recommended that a study take place to develop a statewide foreclosure data collection and reporting system.

These two recommendations make up HF3516*/SF2914, sponsored by Davnie and Sen. Ann Rest (DFL-New Hope). Passed 129-0 by the House April 1, it now awaits action by the full Senate.

Addressing civil rights

North Minneapolis has been devastated by the foreclosure crisis. Mullery, who represents this area, knows that in some instances, people were given subprime loans that should not have received them. But there were also others who were clearly taken advantage of.

According to Mullery, 60 percent of the

blacks who were in the subprime loans were eligible for prime rate loans, which could have saved them thousands of dollars. This type of discrimination, Mullery said, is inexcusable.

HF3478/SF2915* would raise the cap for punitive damages under the Minnesota Human Rights Act for fair housing from \$8,500 to \$25,000. Sponsored by Rep. Neil W. Peterson (R-Bloomington) and Sen. Mee Moua (DFL-St. Paul), the bill would allow authorities to prosecute mortgage fraud by charging them with other offenses and higher prison terms. The bill passed the Senate 57-4 March 31 and awaits action by the full House.



Cap and trade continued from page 16

I was in high school," Beard said half-jokingly. "I think those people have all gone into the environmental movement."

The partisan divide over global warming is well-known; however, this year a new element has been injected into the debate. In a series of information hearings, members of the House Energy Finance and Policy Division heard testimony from analysts who said that global oil production is peaking, and that reserves of petroleum, coal and even natural gas should begin to dwindle over the next few decades.

This phenomenon, known as peak oil, presents an entirely different set of challenges to policymakers. But it also begs the question: if we're running out of fossil fuels, do we really need to worry about reducing our emissions? Beard says no.

"If we continue on the pace we're on, we're going to outstrip our supply ... so the problem — if you think CO₂ is a problem — is going to fix itself anyhow in the next 20 years," he said.

Knuth sees it differently. She said many of the solutions to peak oil — like planning

communities that don't depend so heavily on gas-powered transportation and producing more food and products locally — are also solutions to global warming.

"I think it's a distraction to say, 'Peak oil will solve global warming.' I think we need to be planning for both," she said.

A companion to Knuth's bill, SF2818, sponsored by Sen. Ellen Anderson (DFL-St. Paul), awaits action by the Senate Environment, Energy and Natural Resources Budget Division.



Looking for better balance

After 12 years, Tingelstad to focus on family

BY COURTNEY BLANCHARD

Rep. Kathy Tingelstad (R-Andover) has a way of standing out at the Capitol. In a hurried environment with a lot of fast-talking political rhetoricians, Tingelstad always takes a moment to think before she speaks, and what she says is clear, meaningful and sincere.

More than 20 years ago, Tingelstad climbed the Capitol steps on a mission to improve the adoption process in Minnesota. She was surprised that, as a volunteer, she helped eliminate the requirement for adoptions to go through an agency, thereby allowing independent adoptions.

"So when I saw how that was done, I thought, 'Well, I'd like to be here as a legislator to be able to work on those issues,'" she said.

One of her proudest moments was the passage of \$100 million in bonding for the

Northstar Commuter Rail project in 2005, "Because it took so many years to get it passed," she said.

Tingelstad still remembers one of her first bills, which impacted at least one person. After a sheriff deputy ticketed a Ramsey man for operating a snow plow with too wide of a blade, the frustrated plower asked her to change the law.

"It was like a one-word change in the law ... but for him it was a huge deal," she said. "After we changed the law, I sent him an actual

copy signed by the governor, and he put that in his glove compartment. And a week later, the Sheriff pulled him over and was going to give him another citation. He says, 'No, there's a new law and I helped to change it!'"

Few things have changed since Tingelstad passed that law, but new technology has sped up the turnaround on amendments. It's made the entire process faster, and now lawmakers introduce more bills compared to 10 years ago.

"Sometimes I'm totally amazed how quickly the Revisor's office can do things with so many bills and so many amendments," she said. "We're probably overworking our staff!"

Since being elected, Tingelstad discovered a passion for environmental issues. During her first year, she was stuck on the environmental committee "because they needed a Republican woman from the suburbs," she said. It became one of her favorite committees.

"This job is truly public service, you're here for your leadership skills, but you have to be able to use the skills in any policy area," she said.

Tingelstad is often described as a moderate, and some would say that the Legislature is losing those kinds of members on both sides.

Delegates delayed Tingelstad's endorsement for reelection this year after she joined five other Republicans to override the governor's veto of the transportation bill. She also lost her position as lead Republican on the House Capital Investment Finance Division.

"I absolutely would vote the same way," she said.

The delayed endorsement just made the decision to step down easier, she said. After 12 years in the House, it's time to move on and find a job that allows her to support her sons through college, she said.

"In the summer, I'm looking forward to not having to door-knock," Tingelstad said.



PHOTO BY SARAH STACKE

Rep. Kathy Tingelstad joins her son, Karl, center, who gets to try the gavel of former House Speaker Steve Sviggum, left. Karl served in the High School Page Program in 2006.

STEPPING DOWN

Rep. Kathy Tingelstad
Republican
District: 49B — Andover
Terms: 6 (elected 1996)
Advice to successor: "It's important to keep good balance in your life. Keep time for family and other things."

Come to the Capitol

Directions, Parking, Tours, Visiting the Legislature, Dining

Directions

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

- I-94 eastbound: Exit at Marion Street. Turn left. Go to Aurora Avenue and turn right.
- I-94 westbound: Exit at Marion Street. Turn right. Go to Aurora Avenue and turn right.
- I-35E northbound: Exit at Kellogg Boulevard. Turn left. Go to John Ireland Boulevard and turn right.
- I-35E southbound: Exit at University Avenue. Turn right. Go to Rice Street and turn left.

Parking

Public metered parking is available in Lot Q, north of the Capitol at Cedar Street and Sherburne Avenue; Lot AA, across Rice Street from the State Office Building on Aurora Avenue; Lot F, directly behind the Transportation Building; Lot H, west of the Veterans Service Building; Lot K, across from the Armory on Cedar Street (enter from 12th Street); Lot L, east of the Judicial Center; in the 14th Street Lot at the corner of North Robert Street and 14th Street; and on the orange level of the Centennial Office Building Ramp at Cedar Street and Rev. Dr. Martin Luther King Jr. Blvd. There are a few metered parking spots in front of the Capitol along Aurora Avenue.

Capitol Security personnel will issue tickets for expired meters.

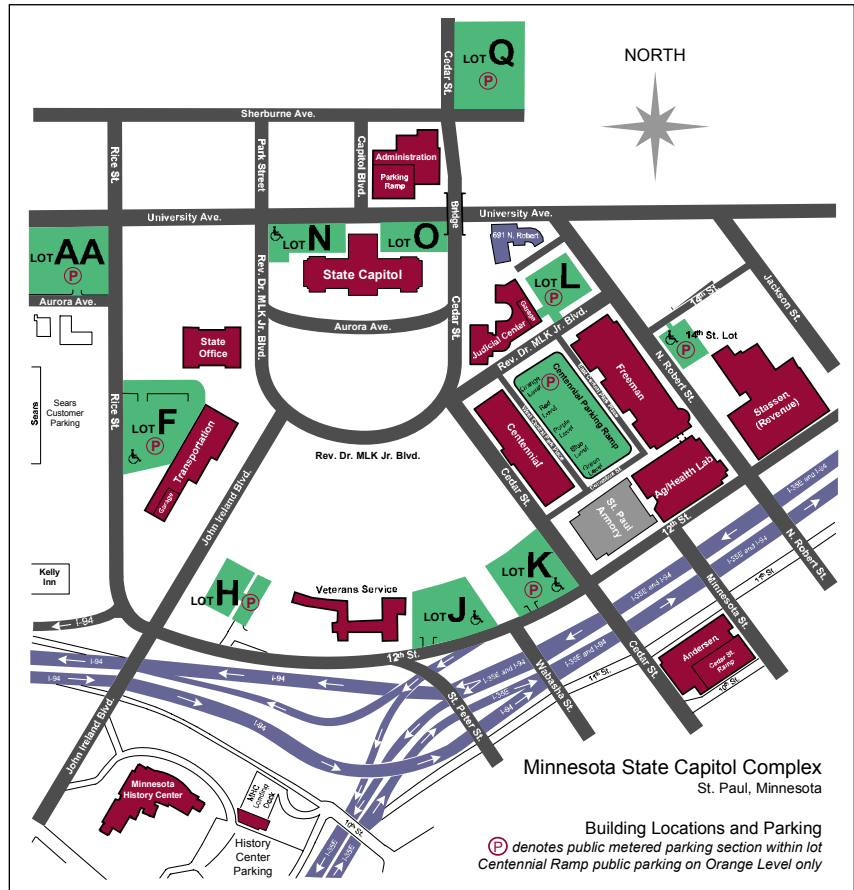
All-day parking permits are available from Plant Management on the ground floor of the Administration Building at 50 Sherburne Ave., north of the Capitol, across University Avenue. Cash or checks are accepted. For more information, call 651-201-2307.

Outdoor disability parking is available in most public lots within the State Capitol Complex. However, most spots can be found in Lot N and Lot F. Disability parking is also available on the orange level of the Centennial Office Parking Ramp and in the 14th Street Lot.

The main disability entrance to the Capitol is on the northwest side of the building just off Lot N. There also are drop-off entrances on the south side under the front steps on the south side and on the northeast side of the building.

Visiting the Legislature

During session, all House and Senate floor sessions are open to the public. No pass is required for spectators to sit in the galleries of either chamber. The House usually meets at 12:30 p.m. Monday and 10 a.m. Thursday, and the Senate generally meets at 11 a.m. Monday and Thursday during the first few weeks of session. As the session nears the end, however, both bodies may meet several times a week, often into the night.



Edited map courtesy Minnesota Department of Administration, Plant Management Division

Visitors interested in observing these sessions may call House Public Information Services 651-296-2146 or Senate Information 651-296-0504, with questions.

Committee meetings are open to the public, as well. Visitors wanting to attend a committee meeting may call the committee hotlines for prerecorded messages with the meeting times and agendas for each day: House 651-296-9283 or Senate 651-296-8088.

If group members want to meet with their individual legislators or testify before a committee arrangements should be made at least a week in advance.

Sometimes groups plan a "legislative day" at the Capitol. For information on reserving a room for group conferences, call the State Office Building room scheduler at 651-296-4279 or the Capitol room scheduler at 651-296-0866.

Tours

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

Tour guides lead the 45-minute tours on the hour Monday through Friday between 9 a.m.

and 4 p.m. (last tour leaves at 3 p.m.); Saturday between 10 a.m. and 3 p.m. (last tour leaves at 2 p.m.); and Sunday between 1 p.m. and 4 p.m. (last tour leaves at 3 p.m.). The tours begin at the Capitol information desk. Brochures in about 20 foreign languages also are available there.

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

The society offers a number of specialized tours for educational groups ranging from pre-school students to high school seniors. Also, special tour events are scheduled throughout the year. A special events guide is available upon request.

For more information about the tours and fees or to make a reservation, call the Capitol Historic Site Program at 651-296-2881.

Dining

Year-round cafeterias can be found on the ground floor of the Transportation and the Centennial and Stassen buildings.

The small State Office Building cafeteria and the Rathskeller in the State Capitol are open only when the Legislature is in session.

From beginning to end

Tracking bills is just a mouse click away

Whether you follow a number of bills or just a few, you don't have to physically be at the Capitol to track legislation. Through the Legislature's Web site (www.leg.mn), there are several ways to follow a bill from your computer.

Personalized tracking

The MyBills service allows a user to personalize bill tracking for current legislation, and be notified by e-mail of the bill's movement through the process.

Beginning at the Legislature's main page, click "Bill Search, Status and MyBills." Once on the bill search page, look for the "MyBills" tag located along the left sidebar. This will take you to the "MyBills" subscription page. Once there, just follow the instructions, which includes establishing a username and password. Once that is established you can:

- Receive an RSS feed of bills in your account;
- Add House and Senate bills to your list by bill number, subject or author;
- View the legislative status of your bills, with items with significant current action highlighted;
- Modify your list at any time; and
- Receive daily updates.

Bills, bills and more bills

Information about any bill that has been introduced since 1993 is accessible through the Web.

Begin at www.leg.mn and click on "Bill Search, Status and MyBills." This will take you to a page where you can enter a House or Senate file number, which is used to identify a bill in the House or Senate, the name of the chief sponsor in either body, a committee of origin topic, or a keyword description.

Once the search criteria is entered, the "bill status summary" page gives a short version of what the bill is about, and provides links to the status, full text or summary of a bill from the nonpartisan House Research Department. The status area shows the process of a bill from its introduction, through the committee and floor process to gubernatorial action.

Tools to help with your search

You don't have to know a bill's number or even the chief sponsor to find information on legislation you are interested in.

There are several features on the Legislature's Web site to help you determine a bill's number, and sponsors in both the House and the Senate.

Information by phone

For those who do not have access to a computer, bill information is just a phone call away. Contact the House Index Department at 651-296-6646. Also, if you're looking for information on the Internet, and you're not sure where to find it, contact House Public Information Services at 651-296-2146 or 800-657-3550.

On the main bill tracking search page, there is a section at the top for House and Senate bills. Choose either link and you will be directed to an Internet form providing a number of options.

If you are unsure about the best way to proceed, click the Help button and be directed to the Examples and Explanations page. The page features an explanation of how to search for bills that have been passed or are still in the legislative process.

Near the top of the main bill status page are four links to four different searches.

- **House Topic Search:** this search allows you to find bills according to the major topic area that it falls into. In some cases, a bill deals with several topics, and the topic you are interested in will be a part of another larger bill.
- **House Author Search:** this option allows you to see all the bills a particular member has sponsored. It is handy when you know a certain representative has sponsored a bill, but you're not sure of its number or status.
- **House Committee Search:** sometimes all you might know about a bill is that a particular House committee is hearing the bill. This search option allows you to see all the bills initially referred to a committee.
- **House Action Search:** this link offers dozens of possible status actions for bills in the House. This may also be handy if you are trying to determine whether a committee has reported on a certain bill or if you think a bill was acted upon on a certain day, but you're not sure of any other information.



The MyBills service allows a user to personalize bill tracking for current legislation, and be notified by e-mail of the bill's movement through the process.

Monday, March 31

HF4134-Hamilton (R)

Health & Human Services

Cottonwood County; intermediate care facility relocation provided.

HF4135-Otremba (DFL)

Agriculture, Rural Economies & Veterans Affairs

Congress memorialized to acknowledge that Agent Orange can cause Parkinson's disease and to require the U.S. Department of Veterans Affairs to offer assistance to military members who have acquired Parkinson's disease through exposure to Agent Orange.

HF4136-Olin (DFL)

Taxes

State-paid property tax credit provided for property in bovine tuberculosis management zones.

HF4137-Clark (DFL)

Public Safety & Civil Justice

Petty misdemeanor offense established for damaging property with graffiti, liability establishment addressed and local approval required.

HF4138-Olson (IR)

Taxes

Individual income tax rate reduced to offset state transportation tax increases.

HF4139-Olson (IR)

Taxes

Nonrefundable individual income tax credit for certain home sales allowed.

HF4140-Greiling (DFL)

Governmental Operations, Reform, Technology & Elections

Voter permitted to show on the ballot an intent not to vote for any candidate for an office.

HF4141-Olin (DFL)

Taxes

State paid property tax credit provided for property in bovine tuberculosis management zones.

HF4142-Berns (R)

Taxes

Local government aid distribution modified.

HF4143-Thissen (DFL)

Finance

Health and safety revenue modified to include elevator repair costs.

HF4144-Heidgerken (R)

Health & Human Services

Outdoor smoking shelters allowed.

HF4145-Bigham (DFL)

Taxes

Film investment credit provided, and motion picture productions exempted from sales tax.

HF4146-Marquart (DFL)

Taxes

Imposition of new local sales taxes prohibited.

HF4147-Loeffler (DFL)

Taxes

County program aid appropriation increased.

Tuesday, April 1

HF4148-Dill (DFL)

Commerce & Labor

Grand Marais; on-sale liquor license authorized.

HF4149-Dill (DFL)

Taxes

Two Harbors; local sales tax revenue use expanded.

HF4150-Dill (DFL)

Taxes

Property tax exemption provided for certain leased lands, personal property definition modified and tax-exempt property held under a lease clarified.

HF4151-Hoppe (R)

Governmental Operations, Reform, Technology & Elections

Teachers Retirement Association service credit purchase authorized.

HF4152-Olson (IR)

Environment & Natural Resources

Water quality and lake restoration grant program provided, report required.

HF4153-Olson (IR)

Governmental Operations, Reform, Technology & Elections

Public Employees Retirement Association police and fire fund; joint and survivor annuity authorized for a surviving spouse of a deceased retiree who elected a straight life annuity.

HF4154-Paulsen (R)

Health & Human Services

Minnesota residents permitted to buy health coverage approved in other states, Physician's Council on Health Care Policy created to analyze health coverage mandates, and tax credit provided for persons without access to employer-based coverage.

HF4155-Loeffler (DFL)

Taxes

Classifications and class rates modified for residential property that is not homesteaded.

HF4156-Lesch (DFL)

Taxes

Ramsey County, St. Paul and Independent School District No. 625; proposed property tax hearing modified.

HF4157-Faust (DFL)

Environment & Natural Resources

Permits to harvest or destroy aquatic plants provisions modified.

Wednesday, April 2

HF4158-Dill (DFL)

Taxes

St. Louis County authorized to impose a mortgage and deed tax, and environmental response fund created.

HF4159-McFarlane (R)

Taxes

Vadnais Lake Area Management Organization included as a special taxing district.

HF4160-Koenen (DFL)

Taxes

Agricultural property classification definition modified, rural vacant land classification defined and Minnesota agricultural property tax law criteria modified.

HF4161-Drazkowski (R)

Governmental Operations, Reform, Technology & Elections

English designated as the official language of Minnesota.

HF4162-Lenczewski (DFL)

Taxes

Partnership return and refund claim time filing extended.

HF4163-Thissen (DFL)

Health & Human Services

Health care professionals task force established.

HF4164-Eken (DFL)

Environment & Natural Resources

Wildlife disease management provided.

Thursday, April 3

HF4165-Olin (DFL)

Finance

Beef price support program created for producers located within a downgraded bovine tuberculosis split state zone.

HF4166-Olin (DFL)

Rules & Legislative Administration

Foster care definition technical correction provided.

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MINNESOTA INDEX

Tax collections, disbursements

Billions in state and local taxes collected in Fiscal Year 2007	\$23.14
Billions in Fiscal Year 2005	\$20.09
State tax collections, in billions, in Fiscal Year 2007	\$16.96
Billions in Fiscal Year 2005	\$14.89
State sales tax revenue, in billions, in Fiscal Year 2007	\$5.07
Billions in Fiscal Year 2005	\$4.79
For Fiscal Year 2008, cents of each dollar of taxpayer personal income estimated to be paid to state, county, township or school districts for services during the year	16.0
Cents paid in Fiscal Year 2006	16.5
Cents paid in Fiscal Year 2003	15.4
Cents paid in Fiscal Year 2000	16.2
For Fiscal Year 2008, percent of all payments Minnesotans will make in taxes, fees and charges that go to the state	61
Percent to counties, cities and townships	31
Percent to school districts	8
Once intergovernmental aids are considered, percent spent by the state	33
Percent spent by local governments	39
Percent spent by school districts	28
Estimated millions in estimated annual sales tax revenue raised beginning in Fiscal Year 2011 if voters approve a constitutional amendment in November to raise the sales tax by three-eighths of 1 percent with the money going for the environment and arts	\$276
Percent of the market value of all property in Minnesota that is classified as business property	11.6
Percent of property taxes paid by businesses	29.9
Per \$100 of market value, amount in property taxes paid by business owners	\$3
Amount paid by homeowners	\$1
Millions appropriated by the 2007 Legislature to the Revenue Department to beef up tax enforcement	\$20.5
Additional revenue, in millions, to be generated by that expenditure	\$102.4
Millions spent by the department as of Dec. 31, 2007	\$3.1
Amount collected, in millions	\$23.2
For every \$1 spent on expanded tax enforcement, amount generated, as of Dec. 31, 2007	\$7.40

— M. Cook

Sources: *Expanded Tax Compliance Initiatives Fiscal Years 2008-2009 Report to the Minnesota Legislature*, Department of Revenue, March 2008; *Price of Government*, Department of Finance, February 2008; *Minnesota Government in Brief*, House Research Department, January 2005 and January 2007; *Minnesota Business Partnership*.

FOR MORE INFORMATION

For general information, call House Public Information Services at 651-296-2146 or 800-657-3550.

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To obtain a copy of a bill, call the Chief Clerk's Office at 651-296-2314.

To find out about bill introductions or the status of a specific bill, call the House Index Office at 651-296-6646.

The House of Representatives can be found on the Web at: www.house.mn.

People who are deaf and hard of hearing may ask questions or leave messages by calling the Minnesota Relay service at 711 or 800-627-3529 (TTY).

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