

# SESSION WEEKLY

A NONPARTISAN PUBLICATION  
MINNESOTA HOUSE OF REPRESENTATIVES • PUBLIC INFORMATION SERVICES  
VOLUME 27, NUMBER 1 • FEBRUARY 5, 2010

## RESOURCES: LEGISLATIVE CONTACTS



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HF2408 - HF2737



## SESSION WEEKLY

Session Weekly is a nonpartisan publication of Minnesota House of Representatives Public Information Services. During the 2009-2010 Legislative Session, each issue reports House action between Thursdays of each week, lists bill introductions and provides other information. No fee.

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

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



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### Welcome to Session Weekly

Welcome to the 2010 legislative session.

Each week, Session Weekly staff will bring to you a nonpartisan look at the issues before the House and the people who shape the legislation. This week's Session Weekly magazine provides looks at the different opinions regarding the capital investment bill, along with several pages of bill introductions, many of them related to projects the sponsor hopes will be funded in the bill. Since any bill hoping to make it to the House floor has to be first heard in committee, we have provided House committee information along with all member contact information.

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Other services provided to help you stay informed during session include unedited gavel-to-gavel television coverage or Web streaming of House floor and select committee hearings, and downloadable podcasts of committee meetings. All of us at House Public Information Services are proud to continue the 27-year tradition of providing nonpartisan news from the House.

If you have comments or story ideas please call House Public Information Services at 651-296-2146 or 800-657-3550 or 711 or 800-627-3529 (TTY).

— Session Weekly staff

**On the cover:** House Speaker Margaret Anderson Kelliher helps 5-year-old Reagan Zellers take aim to gavel in the 2010 legislative session while her 3-year-old brother, Will, looks on. Reagan and Will, children of House Minority Leader Kurt Zellers, both participated in convening the day's proceedings.

— Photo by: Andrew VonBank



# Bonding bill on track for early action

Differences abound on a capital investment amount, projects to be funded

By MIKE COOK

**O**ne of the Legislature's most important jobs this session could be done quickly – with thousands of Minnesotans benefiting from the rapidity.

A second year of a biennium traditionally focuses on a capital investment, or bonding, law. DFL leaders expect their bill to be on Gov. Tim Pawlenty's desk before the calendar turns to March. Such bills traditionally do not pass until April or May.

"There is no secret we want to do this early," said Rep. Alice Hausman (DFL-St. Paul), chairwoman of the House Capital Investment Finance Division. "If the money is out the door early we can take advantage of the entire construction season."

House finance division chairs provided

their division bonding recommendations to Hausman by Jan. 29, and the bonding bill (HF2700) was introduced Feb. 4, the first day of session. The schedule calls for division approval Feb. 9. After stops in the House Finance and Ways and Means committees, the bill should be ready for floor action Feb. 15.

Hausman has been working with Sen. Keith Langseth (DFL-Glyndon), chairman of the Senate Capital Investment Committee, to have most of the bill agreed to by floor passage. She is optimistic that an expected conference committee to work out final details between the House and Senate bills would take less than a week.

Then Pawlenty would get his say.

Governors have traditionally line-item vetoed projects they deem unworthy of funding at the time; former Gov. Jesse Ventura even used a pig stamp to highlight vetoed projects he considered pork. However, Pawlenty has threatened to veto the entire bill should it not be at a funding level he supports.

Ninety House votes are needed for a veto override. The DFL holds an 87-47 seat advantage.

**First Reading continued on page 4**



PHOTO BY TOM OLMSCHIED

Rep. Alice Hausman, *right*, releases the \$999.8 million House bonding proposal to media members during a Feb. 4 news conference in the House Gallery. Hausman, chairwoman of the House Capital Investment Finance Division, said the bonding bill should be ready for a floor vote Feb. 15.



## First Reading continued from page 3

Rep. Larry Howes (R-Walker), the lead Republican on the House Capital Investment Finance Division, would recommend against a full gubernatorial veto. “You’re just creating a scenario where three Republicans, if they have something that is seriously needed in their district that is in that bill, you’re just pushing their temptation.”

### A jobs program

Hausman hopes Pawlenty will hear what she has heard from Minnesotans: infrastructure is too important this year. “Why does government invest in infrastructure? It is always with an understanding we’re building a healthy economy.”

For example, she said Winona officials told her that when the size of the city’s port is increased, they can double its tonnage, which trickles down and helps many other area businesses flourish.

Jonathan Zierdt, president and CEO of Greater Mankato Growth Inc., told the House Capital Investment Finance Division Jan. 21 that a \$13.9 million request for arena and civic center improvements or expansion in Mankato would immediately create 450 construction and support industry jobs. “It translates into an \$84 million economic impact from the project alone. The expansion of the arena will generate about \$28 million in new direct expenditures into the marketplace.”

The House bill comes in at \$999.8 million in general obligation bonding; the Senate \$999.96 million, both far more than the \$684.6 million proffered Jan. 15 by Pawlenty

“This proposal is affordable and appropriate,” Pawlenty said.

When factoring in trunk-highway bonds,

### Selected capital investment proposals (all dollars in millions)

Item	Governor	House	Senate
Higher education asset preservation	\$90	\$100	\$115
Phase II of Moose Lake sex offender facility	\$89.07	\$0	\$0
Local bridges	\$75	\$67	\$67
Physics and nanotechnology building at University of Minnesota	\$53.33	\$0	\$5
Flood hazard mitigation	\$50	\$50	\$70
Minnesota Zoo	\$21	\$21	\$21
Local road improvement fund grants	\$20	\$0	\$0
Security upgrades at Oak Park Heights prison	\$10.03	\$3.53	\$3.53
Transit Capital Improvement Program	\$10	\$50	\$30
State trail acquisition and development	\$0	\$21	\$20.94
Greater Minnesota Business Development Infrastructure Grant Program	\$0	\$7.26	\$20

the one-third match required for higher education projects and other user financing, the governor’s total is \$815 million, the House \$1.13 billion and the Senate just under \$1.1 billion.

### How much to spend?

State-issued bonds are repaid over the next 20 years. Bond principal and interest costs are included in the state’s general fund operating budget.

The 10-year average of large capital investment laws is \$725 million in general

obligation bonding. “That is the number that we currently have baked into the (November) forecast for debt service purposes,” said Tom

Hanson, commissioner of Minnesota Management and Budget. “The \$685 million bill saves \$392,000 of debt service in 2011 and \$4.7 million in 2012 and 13.”

The 2008 bonding law totaled \$717 million in general obligation

bonding; the 2006 law, \$948.64 million.

DFLers counter that now is the time to have a larger number.

***“If the money is out the door early  
we can take advantage of the entire  
construction season.”***

— Rep. Alice Hausman  
House Capital Investment  
Finance Division chairwoman



PHOTO BY TOM OLMSCHIED

The House bonding bill contains \$6.5 million for Minnesota Valley Regional Rail Authority track rehabilitation, \$3 million for a rail service improvement program and \$2.5 million to replace aging at grade crossing safety warning devices.





PHOTO BY TOM OLMSCHIED

**Gov. Tim Pawlenty requested nearly \$9.86 million in bond proceeds to renovate the Oliver H. Kelley Farm Historic Site in Elk River. The House matched the governor's request, and the Senate bill calls for \$500,000 less. Site visitors experience demonstrations of daily farm life in mid-19th-century Minnesota.**

With most projects shovel-ready, they say it would put thousands of Minnesotans to work, especially in the construction industry. Moreover, with low interest rates the state could receive more bang for its buck than if the economy rebounds, and, perhaps, inflation returns. Hausman and Howes have been told by contractors that project bids have been coming in up to one-third lower than anticipated or more.

House Majority Leader Tony Sertich (DFL-Chisholm)

added that the bill would leave long-term infrastructure in place to help grow the economy down the road.

However, State Economist Tom Stinson warned that a large bonding bill does not automatically help the economy in the near future.

"It depends on the structure of the projects.

It depends upon the timing of the bonding bill, and it depends upon the starting points of the projects that are in it," he said at the Dec. 2 release of the November forecast. "If you pass a bonding bill at the end of the legislative session, and it's planning money for projects that are going to start in 2013, that's

going to provide a lot less stimulus to the economy than if you pass a bonding bill at the start of the legislative session and a large amount of it is for repair and renovation, asset preservation that could start in March." He indicated that a rough formula is every \$100,000 equals a one-year job.


Not all Republicans agree with Pawlenty's vision of fiscal restraint.

"I'll bet there are things that have to be manufactured for all those construction projects and that'll help fill in the private

sectors manufacturing lines," Howes said. "I see it as something you don't want to do all the time, but on occasion it is necessary."

More than \$4 billion was requested in bond money this year, including \$1.76 billion from state agencies.

Hausman and members of her division traveled across the state in recent months viewing many of the requests. She admits it is hard to say no, but she must. "It has to be fair to the state. We have to be somewhat balanced and reflect the work and priority of what our divisions have recommended, or, for example, what higher education institutions rank as their priorities."

Hanson can empathize with Hausman. "These are worthwhile projects, but there is only so much money to go around. We had to prioritize and make selections." 



***"I see it as something you don't want to do all the time, but on occasion it is necessary."***

— Rep. Larry Howes  
House Capital Investment  
Finance Division Republican Lead

**To find out who represents you at the Capitol . . .  
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PHOTO BY TOM OLMSCHIED

House Minority Leader Kurt Zellers holds up a backpack saying, "I'm ready to get to work," after being congratulated by House Majority Leader Tony Sertich on being elected minority leader. Rep. Marty Seifert resigned as minority leader following the 2009 legislative session to concentrate on his run for governor.

## 86<sup>th</sup> Legislative Session

House reconvenes and hits the ground running

By SUE HEGARTY

**F**or many House members, opening day of the 2010 Legislative session wasn't a matter of picking up where they left off last May, since many never really stopped working during the interim.

"There's been a ton of work done ahead of this legislative session starting," said House Speaker Margaret Anderson Kelliher (DFL-Mpls). "There's often a very fast pace to this session so a lot of . . . the work, that's pre-work to make sure these bills get passed, gets done ahead of time," Kelliher said.

She wasted no time getting the session under way just after noon Feb. 4 by lifting 3-year-old Will Zellers and 5-year-old Reagan Zellers into the air so they could pound the gavel on the rostrum. They are the children of new House Minority Leader Kurt Zellers (R-Maple Grove) and his wife, Kim.

### Busy Interim

Between May and February, many lawmakers attended roundtable discussions with business owners throughout the state and heard ways to reduce the state's anticipated \$1.2 billion biennial budget deficit.

Kelliher said members also spent hours on the capital investment proposals, meetings of the Jobs Task Force, and other issues including the Gang Strike Force.

Members pre-filed 213 bills with the chief clerk's office on Jan. 7. They include funding requests for an array of projects, including schools, transportation, flood control and local and regional infrastructure. These bills were given their first reading Feb. 4, the same day another 117 bills were also formally





PHOTO BY TOM OLMSCHIED

**Rep. Diane Loeffler, front, gets a hug from Rep. Marsha Swails in the House Chamber on the opening day of the 2010 legislative session.**

introduced. Besides these new bills, those that failed to become law last year are still in play and can be considered for approval.

## Opening Day

The first year of a two-year biennial session is considered the “budget year,” when legislators work on crafting a two-year state budget. The second year of a biennium, such as 2010, is known as “the bonding year.” House finance division bonding recommendations have already been vetted informally through committees and forwarded to the House Capital Investment Finance Division.

Those recommendations have been incorporated into HF2700, sponsored by Rep. Alice Hausman (DFL-St. Paul). The bill calls for nearly \$1 billion in general obligation bonding.

Another key piece of legislation introduced on opening day was HF2695, an economic development and jobs bill sponsored by Rep. Ann Lenczewski (DFL-Bloomington).

In other floor action, Rep. Paul Gardner (DFL-Shoreview) publicly apologized for “unkind remarks on Twitter” about his colleagues last year. This came as a result

of a complaint filed against him by two Republican House members, and heard by the House Ethics Committee in June.

## The Days Ahead

Now the action begins: bills will be heard in committees and divisions, some will make it to the Senate, and some will make it to law.

By statute, legislators must adjourn sine die by midnight, May 16. After they adjourn, bills left in limbo from the past two years are considered dead.

Still ahead, Zellers said the Republicans intend to introduce two key forms of legislation: a Sunset Commission, modeled after Texas, which would save the state money by eliminating outdated laws. “We pass a lot of bills. We introduce a lot of bills, but we do a pretty bad job of looking in the rearview mirror,” Zellers said.

The Republicans also plan to introduce legislation that offers regulatory relief, especially in the area of permitting, for building contractors. Zellers said that during the interim, contractors requested that when lawmakers return to St. Paul, they take the same pledge as doctors and agree to “do no

harm” to the contracting industry.

As for the bonding bill, Zellers said he’s disappointed it does not contain an appropriation for expansion of the Moose Lake sex offender program, which has Republican support.

Contrary to public criticism that members drag their feet until the end of each session, Kelliher said, “We actually passed bills earlier last year than in the 30 years previous, so that’s a misconception out there about how fast we did our work.” Look for that pace to continue, she said. “We’ve ended on time every single year, so I’m pretty assured that we’ll be able to get that done again.” 🐾

Gov. Tim Pawlenty is scheduled to present his State of the State address to a joint convention of the House and Senate at 11 a.m., Thursday, Feb. 11, in the House Chambers.

House members appointed to escort the governor are: Reps. Connie Doepke (R-Orono), Andrew Falk (DFL-Murdock), Gail Kulick Jackson (DFL-Milaca), Marsha Swails (DFL-Woodbury) and Paul Torkelson (R-Nelson Township). Watch the address at <http://www.house.mn/hvt/schedule.asp>.

# Minnesota Legislators 2010

## House of Representatives

District	Member/Party	Room*	Phone 651-296-	District	Member/Party	Room*	Phone 651-296-
48B	Abeler, Jim (R)	203	1729	34A	Kohls, Paul (R)	313	4282
19A	Anderson, Bruce (R)	295	5063	50A	Laine, Carolyn (DFL)	407	4331
13A	Anderson, Paul (R)	239	4317	9A	Lanning, Morrie (R)	259	5515
43A	Anderson, Sarah (R)	217	5511	40B	Lenczewski, Ann (DFL)	509	4218
3A	Anzelc, Tom (DFL)	417	4936	66A	Lesch, John (DFL)	537	4224
39B	Atkins, Joe (DFL)	503	4192	30A	Liebling, Tina (DFL)	553	0573
35A	Beard, Michael (R)	207	8872	1B	Lieder, Bernard (DFL)	423	5091
43B	Benson, John (DFL)	517	9934	55A	Lillie, Leon (DFL)	369	1188
57A	Bigham, Karla (DFL)	353	4342	59A	Loeffler, Diane (DFL)	349	4219
25B	Bly, David (DFL)	557	7065	42B	Loon, Jenifer (R)	311	7449
25A	Brod, Laura (R)	291	4229	37A	Mack, Tara (R)	321	5506
27A	Brown, Robin (DFL)	337	8216	22A	Magnus, Doug (R)	253	5505
23B	Brynaert, Kathy (DFL)	421	3248	67A	Mahoney, Tim (DFL)	591	4277
35B	Buesgens, Mark (R)	307	5185	65B	Mariani, Carlos (DFL)	563	9714
56A	Bunn, Julie (DFL)	521	4244	9B	Marquart, Paul (DFL)	597	6829
45B	Carlson Sr., Lyndon (DFL)	479	4255	38A	Masin, Sandra (DFL)	527	3533
58B	Champion, Bobby Joe (DFL)	329	8659	53B	McFarlane, Carol (R)	223	5363
61A	Clark, Karen (DFL)	471	0294	57B	McNamara, Denny (R)	255	3135
24B	Cornish, Tony (R)	281	4240	40A	Morgan, Will (DFL)	411	4212
31B	Davids, Greg (R)	283	9278	23A	Morrow, Terry (DFL)	415	8634
62A	Davnie, Jim (DFL)	545	0173	58A	Mullery, Joe (DFL)	367	4262
52B	Dean, Matt (R)	287	3018	10B	Murdock, Mark (R)	213	4293
29A	Demmer, Randy (R)	245	9236	64A	Murphy, Erin (DFL)	413	8799
52A	Dettmer, Bob (R)	251	4124	6B	Murphy, Mary (DFL)	343	2676
6A	Dill, David (DFL)	571	2190	46A	Nelson, Michael V. (DFL)	569	3751
47A	Dittrich, Denise (DFL)	371	5513	49B	Newton, Jerry (DFL)	331	5369
33B	Doepke, Connie (R)	215	4315	10A	Nornes, Bud (R)	277	4946
12B	Doty, Al (DFL)	433	4247	29B	Norton, Kim (DFL)	387	9249
41A	Downey, Keith (R)	323	4363	38B	Obermueller, Mike (DFL)	335	4128
28B	Drazkowski, Steve (R)	247	2273	1A	Olin, Dave (DFL)	593	9635
17A	Eastlund, Rob (R)	243	5364	11B	Otremba, Mary Ellen (DFL)	445	3201
2A	Eken, Kent (DFL)	575	9918	64B	Paymar, Michael (DFL)	543	4199
19B	Emmer, Tom (R)	301	4336	31A	Pelowski Jr., Gene (DFL)	491	8637
20A	Falk, Andrew (DFL)	431	4228	32A	Peppin, Joyce (R)	279	7806
8B	Faust, Tim (DFL)	567	0518	4A	Persell, John (DFL)	529	5516
26B	Fritz, Patti (DFL)	551	8237	45A	Peterson, Sandra (DFL)	345	4176
53A	Gardner, Paul (DFL)	581	2907	27B	Poppe, Jeanne (DFL)	487	4193
36B	Garofalo, Pat (R)	221	1069	7B	Reinert, Roger (DFL)	429	4246
15A	Gottwalt, Steve (R)	231	6316	41B	Rosenthal, Paul (DFL)	393	7803
54A	Greiling, Mindy (DFL)	381	5387	5A	Rukavina, Tom (DFL)	477	0170
24A	Gunther, Bob (R)	289	3240	42A	Ruud, Maria (DFL)	515	3964
48A	Hackbarth, Tom (R)	309	2439	2B	Sailer, Brita (DFL)	577	4265
22B	Hamilton, Rod (R)	209	5373	51A	Sanders, Tim (R)	315	4226
39A	Hansen, Rick (DFL)	401	6828	54B	Scalze, Bev (DFL)	451	7153
66B	Hausman, Alice (DFL)	453	3824	49A	Scott, Peggy (R)	225	4231
15B	Haws, Larry (DFL)	473	6612	21A	Seifert, Marty (R)	233	5374
61B	Hayden, Jeff (DFL)	539	7152	5B	Sertich, Anthony "Tony" (DFL)	459	0172
46B	Hilstrom, Debra (DFL)	379	3709	14A	Severson, Dan (R)	261	7808
8A	Hilty, Bill (DFL)	559	4308	18A	Shimanski, Ron (R)	227	1534
36A	Holberg, Mary Liz (R)	303	6926	44A	Simon, Steve (DFL)	375	9889
34B	Hoppe, Joe (R)	317	5066	55B	Slawik, Nora (DFL)	403	7807
60B	Hornstein, Frank (DFL)	437	9281	63B	Slocum, Linda (DFL)	501	7158
47B	Hortman, Melissa (DFL)	377	4280	33A	Smith, Steve (R)	271	9188
14B	Hosch, Larry (DFL)	565	4373	3B	Solberg, Loren (DFL)	443	2365
4B	Howes, Larry (R)	201	2451	37B	Sterner, Phillip (DFL)	523	4306
7A	Huntley, Thomas (DFL)	585	2228	56B	Swails, Marsha (DFL)	409	1147
16A	Jackson, Gail Kulick (DFL)	531	6746	65A	Thao, Cy (DFL)	359	5158
67B	Johnson, Sheldon (DFL)	549	4201	63A	Thissen, Paul (DFL)	351	5375
13B	Juhnke, Al (DFL)	485	6206	51B	Tillberry, Tom (DFL)	583	5510
59B	Kahn, Phyllis (DFL)	365	4257	21B	Torkelson, Paul (R)	211	9303
17B	Kalin, Jeremy (DFL)	579	5377	18B	Urdahl, Dean (R)	237	4344
26A	Kath, Kory (DFL)	357	5368	62B	Wagenius, Jean (DFL)	449	4200
60A	Kelliher, Margaret Anderson (DFL)	463	0171	12A	Ward, John (DFL)	533	4333
28A	Kelly, Tim (R)	241	8635	30B	Walti, Andy (DFL)	389	4378
16B	Kiffmeyer, Mary (R)	229	4237	11A	Westrom, Torrey (R)	273	4929
50B	Knuth, Kate (DFL)	507	0141	44B	Winkler, Ryan (DFL)	525	7026
20B	Koenen, Lyle (DFL)	439	4346	32B	Zellers, Kurt (R)	267	5502

\*All rooms are in the State Office Building unless otherwise noted, St. Paul, MN 55155-1298



## Senate

District/Member/Party			Phone	District/Member/Party			Phone
			651-296-				651-296-
66	Anderson, Ellen R. (DFL)	120 Cap.	5537	54	Marty, John (DFL)	328 Cap.	5645
6	Bakk, Thomas M. (DFL)	226 Cap.	8881	39	Metzen, James P. (DFL)	322 Cap.	4370
61	Berglin, Linda (DFL)	309 Cap.	4261	41	Michel, Geoff (R)	133 SOB	6238
51	Betzold, Don (DFL)	111 Cap.	2556	67	Moua, Mee (DFL)	120 Cap.	5285
43	Bonoff, Terri E. (DFL)	325 Cap.	4314	28	Murphy, Steve (DFL)	325 Cap.	4264
38	Carlson, Jim (DFL)	G-9 Cap.	7-8073	17	Olseen, Rick E. (DFL)	G-24 Cap.	5419
50	Chaudhary, Satveer S. (DFL)	205 Cap.	4334	33	Olson, Gen (R)	113 SOB	1282
15	Clark, Tarryl (DFL)	208 Cap.	6455	4	Olson, Mary A. (DFL)	124 Cap.	4913
64	Cohen, Richard J. (DFL)	121 Cap.	5931	34	Ortman, Julianne E. (R)	125 SOB	4837
25	Dahle, Kevin (DFL)	320 Cap.	1279	65	Pappas, Sandra L. (DFL)	120 Cap.	1802
60	Dibble, D. Scott (DFL)	111 Cap.	4191	36	Pariseau, Pat (R)	117 SOB	5252
18	Dille, Steve (R)	103 SOB	4131	26	Parry, Mike (R)	115 SOB	9457
40	Doll, John (DFL)	G-9 Cap.	5975	59	Pogemiller, Lawrence J. (DFL)	235 Cap.	7809
31	Erickson Ropes, Sharon L. (DFL)	G-24 Cap.	5649	7	Prettner Solon, Yvonne (DFL)	G-9 Cap.	4188
14	Fischbach, Michelle L. (R)	145 SOB	2084	45	Rest, Ann H. (DFL)	205 Cap.	2889
16	Fobbe, Lisa (DFL)	306 Cap.	8075	35	Robling, Claire A. (R)	143 SOB	4123
47	Foley, Leo T. (DFL)	G-24 Cap.	4154	24	Rosen, Julie A. (R)	109 SOB	5713
21	Frederickson, Dennis R. (R)	139 SOB	8138	53	Rummel, Sandy (DFL)	323 Cap.	1253
37	Gerlach, Chris (R)	129 SOB	4120	56	Saltzman, Kathy L. (DFL)	306 Cap.	4166
13	Gimse, Joe (R)	105 SOB	3826	3	Saxhaug, Tom (DFL)	124 Cap.	4136
42	Hann, David W. (R)	127 SOB	1749	46	Scheid, Linda (DFL)	G-9 Cap.	8869
58	Higgins, Linda (DFL)	328 Cap.	9246	29	Senjem, David H. (R)	147 SOB	3903
11	Ingebrigtsen, Bill G. (R)	123 SOB	7-8063	23	Sheran, Kathy (DFL)	G-24 Cap.	6153
49	Johnson, Debbie J. (R)	135 SOB	3219	57	Sieben, Katie (DFL)	321 Cap.	7-8060
48	Jungbauer, Michael J. (R)	121 SOB	3733	2	Skoe, Rod (DFL)	303 Cap.	4196
63	Kelash, Ken (DFL)	320 Cap.	7-8061	10	Skogen, Dan (DFL)	303 Cap.	5655
19	Koch, Amy T. (R)	131 SOB	5981	27	Sparks, Dan (DFL)	317 Cap.	9248
12	Koering, Paul E. (R)	119 SOB	4875	1	Stumpf, LeRoy A. (DFL)	208 Cap.	8660
20	Kubly, Gary W. (DFL)	301 Cap.	5094	5	Tomassoni, David J. (DFL)	317 Cap.	8017
9	Langseth, Keith (DFL)	122 Cap.	3205	62	Torres Ray, Patricia (DFL)	124 Cap.	4274
44	Latz, Ron (DFL)	306 Cap.	7-8065	52	Vandever, Ray (R)	107 SOB	4351
32	Limmer, Warren (R)	141 SOB	2159	22	Vickerman, Jim (DFL)	226 Cap.	5650
8	Lourey, Tony (DFL)	303 Cap.	0293	55	Wiger, Charles W. (DFL)	323 Cap.	6820
30	Lynch, Ann (DFL)	G-24 Cap.	4848				

\*Capitol or State Office Building, St. Paul, MN 55155

## Minnesota House and Senate Membership

<b>1</b>	A Rep. Dave Olin-(DFL) B Rep. Bernie Lieder-(DFL) Sen. LeRoy A. Stumpf-(DFL)	<b>15</b>	A Rep. Steve Gottwalt-(R) B Rep. Larry Hawes-(DFL) Sen. Tarryl Clark-(DFL)	<b>29</b>	A Rep. Randy Demmer-(R) B Rep. Kim Norton-(DFL) Sen. David H. Senjem-(R)	<b>43</b>	A Rep. Sarah Anderson-(R) B Rep. John Benson-(DFL) Sen. Terri E. Bonoff-(DFL)	<b>57</b>	A Rep. Karla Bigham-(DFL) B Rep. Denny McNamara-(R) Sen. Katie Sieben-(DFL)
<b>2</b>	A Rep. Kent Eken-(DFL) B Rep. Brita Sailer-(DFL) Sen. Rod Skoe-(DFL)	<b>16</b>	A Rep. Gail Kulick Jackson-(DFL) B Rep. Mary Kiffmeyer-(R) Sen. Lisa Fobbe-(DFL)	<b>30</b>	A Rep. Tina Liebling-(DFL) B Rep. Andy Welti-(DFL) Sen. Ann Lynch-(DFL)	<b>44</b>	A Rep. Steve Simon-(DFL) B Rep. Ryan Winkler-(DFL) Sen. Ron Latz-(DFL)	<b>58</b>	A Rep. Joe Mullery-(DFL) B Rep. Bobby Joe Champion-(DFL) Sen. Linda Higgins-(DFL)
<b>3</b>	A Rep. Tom Anzelc-(DFL) B Rep. Loren A. Solberg-(DFL) Sen. Tom Saxhaug-(DFL)	<b>17</b>	A Rep. Rob Eastlund-(R) B Rep. Jeremy Kalin-(DFL) Sen. Rick E. Olsehn-(DFL)	<b>31</b>	A Rep. Gene Pelowski Jr.-(DFL) B Rep. Greg Dapke-(R) Sen. Sharon L. Erickson Ropes-(DFL)	<b>45</b>	A Rep. Sandra Peterson-(DFL) B Rep. Lyndon Carlson Sr.-(DFL) Sen. Ann H. Rest-(DFL)	<b>59</b>	A Rep. Diane Loeffler-(DFL) B Rep. Phyllis Kahn-(DFL) Sen. Lawrence J. Pogemiller-(DFL)
<b>4</b>	A Rep. John Persell-(DFL) B Rep. Larry Howes-(R) Sen. Mary A. Olson-(DFL)	<b>18</b>	A Rep. Ron Shimanski-(R) B Rep. Dean Urdahl-(R) Sen. Steve Dille-(R)	<b>32</b>	A Rep. Joyce Peppin-(R) B Rep. Kurt Zellers-(R) Sen. Warren Limmer-(R)	<b>46</b>	A Rep. Michael V. Nelson-(DFL) B Rep. Debra Hilstrom-(DFL) Sen. Linda Scheid-(DFL)	<b>60</b>	A Rep. Margaret Anderson Kelliher-(DFL) B Rep. Frank Hornstein-(DFL) Sen. D. Scott Dibble-(DFL)
<b>5</b>	A Rep. Tom Rukavina-(DFL) B Rep. Anthony "Tony" Sertlich-(DFL) Sen. David J. Tomassoni-(DFL)	<b>19</b>	A Rep. Bruce Anderson-(R) B Rep. Tom Emmer-(R) Sen. Amy T. Koch-(R)	<b>33</b>	A Rep. Steve Smith-(R) B Rep. Connie Doepeke-(R) Sen. Gen Olson-(R)	<b>47</b>	A Rep. Denise Dittrich-(DFL) B Rep. Melissa Hortman-(DFL) Sen. Leo T. Foley-(DFL)	<b>61</b>	A Rep. Karen Clark-(DFL) B Rep. Jeff Hayden-(DFL) Sen. Linda Berglin-(DFL)
<b>6</b>	A Rep. David Dill-(DFL) B Rep. Mary Murphy-(DFL) Sen. Thomas M. Bakk-(DFL)	<b>20</b>	A Rep. Andrew Falk-(DFL) B Rep. Lyle Koenen-(DFL) Sen. Gary W. Kubly-(DFL)	<b>34</b>	A Rep. Paul Kohls-(R) B Rep. Joe Hoppe-(R) Sen. Julianne E. Ortman-(R)	<b>48</b>	A Rep. Tom Hackbarth-(R) B Rep. Jim Abeler-(R) Sen. Michael J. Jungbauer-(R)	<b>62</b>	A Rep. Jim Davnie-(DFL) B Rep. Jean Wagenius-(DFL) Sen. Patricia Torres Ray-(DFL)
<b>7</b>	A Rep. Thomas Huntley-(DFL) B Rep. Roger Reinert-(DFL) Sen. Yvonne Prettner Solon-(DFL)	<b>21</b>	A Rep. Marty Seifert-(R) B Rep. Paul Torkelson-(R) Sen. Dennis R. Frederickson-(R)	<b>35</b>	A Rep. Michael Beard-(R) B Rep. Mark Buegens-(R) Sen. Claire A. Robling-(R)	<b>49</b>	A Rep. Peggy Scott-(R) B Rep. Jerry Newton-(DFL) Sen. Debbie J. Johnson-(R)	<b>63</b>	A Rep. Paul Thissen-(DFL) B Rep. Michael Paymar-(DFL) Sen. Ken Kelash-(DFL)
<b>8</b>	A Rep. Bill Hilty-(DFL) B Rep. Tim Faust-(DFL) Sen. Tony Lourey-(DFL)	<b>22</b>	A Rep. Doug Magnus-(R) B Rep. Rod Hamilton-(R) Sen. Jim Vickerman-(DFL)	<b>36</b>	A Rep. Mary Liz Holberg-(R) B Rep. Pat Garofalo-(R) Sen. Pat Pariseau-(R)	<b>50</b>	A Rep. Carolyn Laine-(DFL) B Rep. Kate Knuth-(DFL) Sen. Satveer S. Chaudhary-(DFL)	<b>64</b>	A Rep. Erin Murphy-(DFL) B Rep. Michael Paymar-(DFL) Sen. Richard J. Cohen-(DFL)
<b>9</b>	A Rep. Morrie Lanning-(R) B Rep. Paul Marquart-(DFL) Sen. Keith Langseth-(DFL)	<b>23</b>	A Rep. Terry Morrow-(DFL) B Rep. Kathy Brynaert-(DFL) Sen. Kathy Sheran-(DFL)	<b>37</b>	A Rep. Tara Mack-(R) B Rep. Phillip Sterner-(DFL) Sen. Chris Gerlach-(R)	<b>51</b>	A Rep. Tim Sanders-(R) B Rep. Tom Tillberry-(DFL) Sen. Don Betzold-(DFL)	<b>65</b>	A Rep. Cy Thao-(DFL) B Rep. Carlos Mariani-(DFL) Sen. Sandra L. Pappas-(DFL)
<b>10</b>	A Rep. Bud Norres-(R) B Rep. Mark Murdock-(R) Sen. Dan Skogen-(DFL)	<b>24</b>	A Rep. Bob Gunther-(R) B Rep. Tony Cornish-(R) Sen. Julie A. Rosen-(R)	<b>38</b>	A Rep. Sandra Masin-(DFL) B Rep. Mike Obermueller-(DFL) Sen. Jim Carlson-(DFL)	<b>52</b>	A Rep. Bob Dettmer-(R) B Rep. Matt Dean-(R) Sen. Ray Vandever-(R)	<b>66</b>	A Rep. John Lesch-(DFL) B Rep. Alice Hausman-(DFL) Sen. Ellen R. Anderson-(DFL)
<b>11</b>	A Rep. Torrey Westrom-(R) B Rep. Mary Ellen Otremba-(DFL) Sen. Bill G. Ingebrigtsen-(R)	<b>25</b>	A Rep. Laura Brod-(R) B Rep. David Bly-(DFL) Sen. Kevin Dahle-(DFL)	<b>39</b>	A Rep. Rick Hansen-(DFL) B Rep. Joe Atkins-(DFL) Sen. James P. Metzen-(DFL)	<b>53</b>	A Rep. Paul Gardner-(DFL) B Rep. Carol McFarlane-(R) Sen. Sandy Rummel-(DFL)	<b>67</b>	A Rep. Tim Mahoney-(DFL) B Rep. Sheldon Johnson-(DFL) Sen. Mee Moua-(DFL)
<b>12</b>	A Rep. John Ward-(DFL) B Rep. Al Juhnke-(DFL) Sen. Paul E. Koering-(R)	<b>26</b>	A Rep. Kory Kath-(DFL) B Rep. Patti Fritz-(DFL) Sen. Mike Parry-(R)	<b>40</b>	A Rep. Will Morgan-(DFL) B Rep. Ann Lenczewski-(DFL) Sen. John Doll-(DFL)	<b>54</b>	A Rep. Mindy Greiling-(DFL) B Rep. Bev Scalze-(DFL) Sen. John Marty-(DFL)		
<b>13</b>	A Rep. Paul Anderson-(R) B Rep. Al Juhnke-(DFL) Sen. Joe Gimse-(R)	<b>27</b>	A Rep. Robin Brown-(DFL) B Rep. Jeanne Poppe-(DFL) Sen. Dan Sparks-(DFL)	<b>41</b>	A Rep. Keith Downey-(R) B Rep. Ron Rosenthal-(DFL) Sen. Geoff Michel-(R)	<b>55</b>	A Rep. Leon Lillie-(DFL) B Rep. Nora Slawik-(DFL) Sen. Charles W. Wiger-(DFL)		
<b>14</b>	A Rep. Dan Severson-(R) B Rep. Larry Hosch-(DFL) Sen. Michelle L. Fischbach-(R)	<b>28</b>	A Rep. Tim Kelly-(R) B Rep. Steve Drazkowski-(R) Sen. Steve Murphy-(DFL)	<b>42</b>	A Rep. Maria Ruud-(DFL) B Rep. Jenifer Loon-(R) Sen. David W. Hann-(R)	<b>56</b>	A Rep. Julie Bunn-(DFL) B Rep. Marsha Swails-(DFL) Sen. Kathy L. Saltzman-(DFL)		

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# Committee Information

## 2010 Minnesota House of Representatives

Member Assignments as of 11/17/09

### Agriculture, Rural Economies and Veterans Affairs

445 State Office Building ..... 296-3201  
Meets: Mondays and Wednesdays at 2:45 p.m.  
in Room 5\*

#### Members: 11

**Chair:** Otremba-DFL

**Vice Chair:** Doty-DFL

**Republican Lead:** Hamilton-R

Drazkowski-R	Morrow-DFL
Eken-DFL	Olin-DFL
Faust-DFL	Shimanski-R
Kath-DFL	Urdahl-R

#### Staff

##### Committee Administrator

Andrew "AJ" Duerr ..... 296-9468

##### Committee Legislative Assistant

Mary Larson ..... 296-5486

### Veterans Affairs Division

439 State Office Building ..... 296-4346  
Meets: Fridays at 8:30 a.m. in the Basement  
Hearing Room\*

#### Members: 10

**Chair:** Koenen-DFL

**Vice Chair:** Newton-DFL

**Republican Lead:** Dettmer-R

Doty-DFL	Otremba-DFL
Faust-DFL	Sanders-R
Lieder-DFL	Severson-R
Magnus-R	

#### Staff

##### Committee Administrator

Abbey Bryduck ..... 296-5413

##### Committee Legislative Assistant

Mary Larson ..... 296-5486

### Civil Justice

367 State Office Building ..... 296-4262  
Meets: Mondays at 4:30 p.m. and Wednesdays  
at 8:30 a.m. in Room 10\*

#### Members: 13

**Chair:** Mullery-DFL

**Vice Chair:** Jackson-DFL

**Republican Lead:** Drazkowski-R

Champion-DFL	Mahoney-DFL
Hilstrom-DFL	Olin-DFL
Holberg-R	Paymar-DFL
Johnson-DFL	Scott-R
Kelly-R	Westrom-R

#### Staff

##### Committee Administrator

Patrick Baldwin ..... 296-4283

##### Committee Legislative Assistant

Vickie Benson ..... 296-5526

### Commerce and Labor

503 State Office Building ..... 296-4192  
Meets: Tuesdays and Thursdays at 4:30 p.m.  
in the Basement Hearing Room\*

#### Members: 18

**Chair:** Atkins-DFL

**Vice Chair:** Lillie-DFL

**Republican Lead:** Hoppe-R

Anderson, S.-R	Mullery-DFL
Anzelc-DFL	Murdock-R
Davids-R	Sanders-R
Davnie-DFL	Simon-DFL
Fritz-DFL	Slocum-DFL
Hosch-DFL	Thao-DFL
Johnson-DFL	Zellers-R
Knuth-DFL	

#### Staff

##### Committee Administrator

John Reich ..... 296-7175

##### Committee Legislative Assistant

Christopher Kwapick ..... 296-6586

### Labor and

### Consumer Protection Division

545 State Office Building ..... 296-0173  
Meets: Fridays at 10:30 a.m. in Room 200\*

#### Members: 11

**Chair:** Davnie-DFL

**Vice Chair:** Fritz-DFL

**Republican Lead:** Murdock-R

Lillie-DFL	Sanders-R
Loon-R	Simon-DFL
Mack-R	Solberg-DFL
Mahoney-DFL	Atkins-DFL
Nelson-DFL	<b>ex-officio**</b>

#### Staff

##### Committee Administrator

Christine Murphy ..... 296-5491

##### Committee Legislative Assistant

Mary Faust ..... 296-4321

### Telecommunications Regulation and Infrastructure Division

549 State Office Building ..... 296-4201  
Meets: Fridays at 8:30 a.m. in Room 10\*

#### Members: 11

**Chair:** Johnson-DFL

**Vice Chair:** Masin-DFL

**Republican Lead:** Hoppe-R

Beard-R	Kiffmeyer-R
Brown-DFL	Lillie-DFL
Doepke-R	Sailer-DFL
Gardner-DFL	Atkins-DFL
Juhnke-DFL	<b>ex-officio**</b>

#### Staff

##### Committee Administrator

John Reich ..... 296-7175

##### Committee Legislative Assistant

Mary Faust ..... 296-4321



## Environment Policy and Oversight

575 State Office Building .....296-9918  
Meets: Tuesdays and Thursdays at 4:30 p.m. in Room 5\*

**Members:** 18

**Chair:** Eken-DFL

**Vice Chair:** Gardner-DFL

**Republican Lead:** McNamara-R

Anderson, P.-R	Juhnke-DFL
Bigham-DFL	Loon-R
Cornish-R	Persell-DFL
Dill-DFL	Sailer-DFL
Drazkowski-R	Sterner-DFL
Falk-DFL	Thissen-DFL
Hackbarth-R	Wagenius-DFL
Hansen-DFL	

### Staff

#### Committee Administrator

Kirk Koudelka .....296-6937

#### Committee Legislative Assistant

Diogo Reis .....296-3889

## Game, Fish and Forestry Division

571 State Office Building .....296-2190  
Meets: Mondays at 4:30 p.m. in the Basement Hearing Room\*

**Members:** 11

**Chair:** Dill-DFL

**Vice Chair:** Sailer-DFL

**Republican Lead:** Cornish-R

Falk-DFL	Murdock-R
Hackbarth-R	Persell-DFL
Hansen-DFL	Thao-DFL
McNamara-R	Thissen-DFL

### Staff

#### Committee Administrator

Kirk Koudelka .....296-6937

#### Committee Legislative Assistant

Diogo Reis .....296-3889

## Ethics

343 State Office Building .....296-2676  
Meets: At the call of the chair in (No Room Assigned)\*

**Members:** 4

**Chair:** Murphy, M.-DFL

**Vice Chair:** Smith-R

Holberg-R	(A) Liebling-DFL
Simon-DFL	(A) Shimanski-R
	(A)-Alternate

### Staff

#### Committee Legislative Assistant

Charlotte Antin .....296-5360

## Finance

479 State Office Building .....296-4255  
Meets: Mondays at 10:30 a.m. or call of the chair in Room 200\*

**Members:** 33

**Chair:** Carlson-DFL

**Vice Chair:** Benson-DFL

**Republican Lead:** Buesgens-R

Brod-R	Lenczewski-DFL
Champion-DFL	Murphy, M.-DFL
Clark-DFL	Paymar-DFL
Emmer-R	Pelowski-DFL
Garofalo-R	Peppin-R
Greiling-DFL	Rukavina-DFL
Hackbarth-R	Shimanski-R
Hausman-DFL	Simon-DFL
Hilty-DFL	Slawik-DFL
Howes-R	Smith-R
Huntley-DFL	Solberg-DFL
Juhnke-DFL	Thissen-DFL
Kahn-DFL	Wagenius-DFL
Kiffmeyer-R	Winkler-DFL
Knuth-DFL	Seifert-R
Kohls-R	<b>ex-officio**</b>

### Staff

#### Committee Administrator

Joanna Dornfeld .....296-9302

#### Committee Legislative Assistant

Lill Pohlkamp .....296-9552

## Agriculture, Rural Economies and Veterans Affairs Finance Division

485 State Office Building .....296-6206  
Meets: Tuesdays and Wednesdays at 10:30 a.m. in the Basement Hearing Room\*

**Members:** 14

**Chair:** Juhnke-DFL

**Vice Chair:** Hamilton-R

**Republican Lead:** Magnus-R

Anderson, P.-R	Shimanski-R
Brown-DFL	Torkelson-R
Doty-DFL	Welti-DFL
Eken-DFL	Carlson-DFL
Falk-DFL	<b>ex-officio**</b>
Faust-DFL	Solberg-DFL
Hosch-DFL	<b>ex-officio**</b>
Otremba-DFL	

### Staff

#### Committee Administrator

Andrew "AJ" Duerr .....296-9468

#### Committee Legislative Assistant

Julia Miller .....296-5992

## Capital Investment Finance Division

453 State Office Building .....296-3824  
Meets: Tuesdays and Thursdays at 2:45 p.m. in the Basement Hearing Room\*

**Members:** 22

**Chair:** Hausman-DFL

**Vice Chair:** Scalze-DFL

**Republican Lead:** Howes-R

Anderson, B.-R	Mahoney-DFL
Carlson-DFL	Mullery-DFL
Clark-DFL	Murphy, M.-DFL
Davids-R	Pelowski-DFL
Dean-R	Rukavina-DFL
Eastlund-R	Scott-R
Hansen-DFL	Solberg-DFL
Juhnke-DFL	Urdahl-R
Lanning-R	Wagenius-DFL
Lieder-DFL	

### Staff

#### Committee Administrator

Jenny Nash .....296-4122

#### Committee Legislative Assistant

Laurie Nistl .....296-5497

## Cultural and

## Outdoor Resources Finance Division

343 State Office Building .....296-2676  
Meets: Mondays at 4:30 p.m. and Wednesdays at 8:30 a.m. in Room 5\*

**Members:** 14

**Chair:** Murphy, M.-DFL

**Vice Chair:** Morgan-DFL

**Republican Lead:** Davids-R

Brown-DFL	Wagenius-DFL
Eken-DFL	Carlson-DFL
Hausman-DFL	<b>ex-officio**</b>
Haws-DFL	Hansen-DFL
Howes-R	<b>ex-officio**</b>
Lillie-DFL	Kahn-DFL
Loeffler-DFL	<b>ex-officio**</b>
Mack-R	Solberg-DFL
Torkelson-R	<b>ex-officio**</b>
Urdahl-R	

### Staff

#### Committee Administrator

Nancy Conley .....296-4374

#### Committee Legislative Assistant

Charlotte Antin .....296-5360

## Early Childhood Finance and Policy Division

403 State Office Building .....296-7807  
Meets: Tuesdays and Thursdays at 4:30 p.m.  
in Room 200\*

**Members:** 14

**Chair:** Slawik-DFL

**Vice Chair:** Rosenthal-DFL

**Republican Lead:** Downey-R

Bly-DFL	Nornes-R
Buesgens-R	Peterson, S.-DFL
Greiling-DFL	Ward-DFL
Hamilton-R	Carlson-DFL
Jackson-DFL	<b>ex-officio**</b>
Laine-DFL	Solberg-DFL
Mack-R	<b>ex-officio**</b>
Mariani-DFL	

### Staff

#### Committee Administrator

Sara Benzkofer .....296-4305

#### Committee Legislative Assistant

Matthew Collie .....296-4483

## Energy Finance and Policy Division

559 State Office Building .....296-4308  
Meets: Mondays and Wednesdays at 2:45 p.m.  
in the Basement Hearing Room\*

**Members:** 23

**Chair:** Hilty-DFL

**Vice Chair:** Falk-DFL

**Republican Lead:** Westrom-R

Anderson, B.-R	Knuth-DFL
Atkins-DFL	Magnus-R
Beard-R	Nornes-R
Bly-DFL	Obermueller-DFL
Brynaert-DFL	Persell-DFL
Gunther-R	Sailer-DFL
Hackbarth-R	Seifert-R
Hoppe-R	Wolti-DFL
Hortman-DFL	Carlson-DFL
Jackson-DFL	<b>ex-officio**</b>
Johnson-DFL	Solberg-DFL
Kalin-DFL	<b>ex-officio**</b>

### Staff

#### Committee Administrator

Andy Pomroy .....296-4180

#### Committee Legislative Assistant

Rebekah Smith .....296-8879

## Environment and Natural Resources Finance Division

449 State Office Building .....296-4200  
Meets: Tuesdays and Thursdays at 8:30 a.m.  
in Room 5\*

**Members:** 17

**Chair:** Wagenius-DFL

**Vice Chair:** Persell-DFL

**Republican Lead:** Hackbarth-R

Anderson, S.-R	Knuth-DFL
Anzelc-DFL	Lillie-DFL
Clark-DFL	McNamara-R
Dill-DFL	Scalze-DFL
Doty-DFL	Torkelson-R
Gunther-R	Carlson-DFL
Hamilton-R	<b>ex-officio**</b>
Hansen-DFL	Solberg-DFL
Hortman-DFL	<b>ex-officio**</b>

### Staff

#### Committee Administrator

Jenna Duwenhoegger .....296-1774

#### Committee Legislative Assistant

Melissa Hysing .....296-3367

## Health Care and Human Services Finance Division

585 State Office Building .....296-2228  
Meets: Tuesdays, Wednesdays and Thursdays  
at 1:00 p.m. in Room 200\*

**Members:** 22

**Chair:** Huntley-DFL

**Vice Chair/**

**Republican Lead Health Care Finance:**

Abeler-R

**Republican Lead Human Services Finance:**

Dean-R

Anzelc-DFL	Peppin-R
Brod-R	Peterson, S.-DFL
Bunn-DFL	Ruud-DFL
Emmer-R	Scalze-DFL
Fritz-DFL	Slawik-DFL
Gottwalt-R	Thao-DFL
Hayden-DFL	Thissen-DFL
Hosch-DFL	Carlson-DFL
Kiffmeyer-R	<b>ex-officio**</b>
Liebling-DFL	Solberg-DFL
Murphy, E.-DFL	<b>ex-officio**</b>
Otremba-DFL	

### Staff

#### Committee Administrator

Dan Pollock .....296-1758

#### Committee Legislative Assistant

Jan Horner .....296-5496

## Higher Education and Workforce Development Finance and Policy Division

477 State Office Building .....296-0170  
Meets: Tuesdays and Thursdays at 1:00 p.m.  
in Room 5\*

**Members:** 21

**Chair:** Rukavina-DFL

**Vice Chair:** Bly-DFL

**Republican Lead Workforce:** Anderson, S.-R

**Republican Lead Higher Ed.:** Nornes-R

Atkins-DFL	Norton-DFL
Brynaert-DFL	Obermueller-DFL
Clark-DFL	Poppe-DFL
Dettmer-R	Reinert-DFL
Downey-R	Slocum-DFL
Eastlund-R	Wolti-DFL
Gunther-R	Carlson-DFL
Haws-DFL	<b>ex-officio**</b>
Mahoney-DFL	Solberg-DFL
McFarlane-R	<b>ex-officio**</b>
Murphy, M.-DFL	

### Staff

#### Committee Administrator

Kerry Kinney Fine .....296-7427

#### Committee Legislative Assistant

Sue Scott .....296-8827

## Bioscience and Workforce Development Policy and Oversight Division

591 State Office Building .....296-4277  
Meets: Tuesdays and Wednesdays at 10:30  
a.m. in Room 200\*

**Members:** 14

**Chair:** Mahoney-DFL

**Vice Chair:** Obermueller-DFL

**Republican Lead:** Gottwalt-R

Anderson, B.-R	Norton-DFL
Beard-R	Peppin-R
Brynaert-DFL	Poppe-DFL
Haws-DFL	Slocum-DFL
Hilty-DFL	Winkler-DFL
Mack-R	

### Staff

#### Committee Administrator

Joanna Dornfeld .....296-9302

#### Committee Legislative Assistant

Dianne Ruppert .....296-4279



## **Housing Finance and Policy and Public Health Finance Division**

471 State Office Building .....296-0294  
Meets: Tuesdays and Wednesdays at 10:30 a.m. in Room 5\*

**Members:** 14

**Chair:** Clark-DFL

**Vice Chair:** Laine-DFL

**Republican Lead:** Severson-R

Benson-DFL	Rosenthal-DFL
Bly-DFL	Sailer-DFL
Hayden-DFL	Scott-R
Howes-R	Carlson-DFL
Huntley-DFL	<b>ex-officio**</b>
McFarlane-R	Solberg-DFL
McNamara-R	<b>ex-officio**</b>
Morgan-DFL	

### **Staff**

#### **Committee Administrator**

Christine Murphy .....296-5491

#### **Committee Legislative Assistant**

Jacob Johnson.....296-5998

## **K-12 Education Finance Division**

381 State Office Building .....296-5387  
Meets: Tuesdays, Wednesdays and Thursdays at 2:45 p.m. in Room 10\*

**Members:** 21

**Chair:** Greiling-DFL

**Vice Chair:** Ward-DFL

**Republican Lead:** Garofalo-R

Anderson, P.-R	Marquart-DFL
Anzelc-DFL	McFarlane-R
Benson-DFL	Morgan-DFL
Brown-DFL	Newton-DFL
Buesgens-R	Slocum-DFL
Davnie-DFL	Swails-DFL
Demmer-R	Tillberry-DFL
Dettmer-R	Carlson-DFL
Dittrich-DFL	<b>ex-officio**</b>
Doepke-R	Solberg-DFL
Mariani-DFL	<b>ex-officio**</b>

### **Staff**

#### **Committee Administrator**

Shannon Patrick.....296-5098

#### **Committee Legislative Assistant**

Elizabeth Mandelman.....296-9676

## **Public Safety Finance Division**

543 State Office Building .....296-4199  
Meets: Tuesdays and Thursdays at 8:30 a.m. in Room 10\*

**Members:** 17

**Chair:** Paymar-DFL

**Vice Chair:** Olin-DFL

**Republican Lead:** Kohls-R

Bigham-DFL	Liebling-DFL
Cornish-R	Reinert-DFL
Eastlund-R	Severson-R
Haws-DFL	Smith-R
Hilstrom-DFL	Ward-DFL
Hosch-DFL	Carlson-DFL
Kelly-R	<b>ex-officio**</b>
Laine-DFL	Solberg-DFL
Lesch-DFL	<b>ex-officio**</b>

### **Staff**

#### **Committee Administrator**

Libby Wyrum .....296-5999

#### **Committee Legislative Assistant**

Lisa Gonzalez.....296-4388

## **State Government Finance Division**

365 State Office Building .....296-4257  
Meets: Tuesdays and Thursdays at 2:45 p.m. in Room 5\*

**Members:** 14

**Chair:** Kahn-DFL

**Vice Chair:** Winkler-DFL

**Republican Lead:** Peppin-R

Bigham-DFL	Poppe-DFL
Downey-R	Sanders-R
Holberg-R	Simon-DFL
Kalin-DFL	Carlson-DFL
Kath-DFL	<b>ex-officio**</b>
Kiffmeyer-R	Solberg-DFL
Koenen-DFL	<b>ex-officio**</b>
Masin-DFL	

### **Staff**

#### **Committee Administrator**

Brian Shekleton .....296-4110

#### **Committee Legislative Assistant**

Krysta Niedernhofer .....296-7173

## **Transportation Finance and Policy Division**

423 State Office Building .....296-5091  
Meets: Tuesdays and Thursdays at 4:30 p.m. in Room 10\*

**Members:** 20

**Chair:** Lieder-DFL

**Vice Chair:** Champion-DFL

**Republican Lead:** Beard-R

Demmer-R	Newton-DFL
Doepke-R	Reinert-DFL
Hausman-DFL	Scott-R
Holberg-R	Severson-R
Hornstein-DFL	Swails-DFL
Hortman-DFL	Welti-DFL
Magnus-R	Carlson-DFL
Masin-DFL	<b>ex-officio**</b>
Morgan-DFL	Solberg-DFL
Morrow-DFL	<b>ex-officio**</b>
Nelson-DFL	

### **Staff**

#### **Committee Administrator**

Abbey Bryduck .....296-5413

#### **Committee Legislative Assistant**

Susie Maher .....296-5494

## **Transportation and Transit Policy and Oversight Division**

437 State Office Building .....296-9281  
Meets: Wednesdays at 1:00 p.m. in Room 5\*

**Members:** 16

**Chair:** Hornstein-DFL

**Vice Chair:** Swails-DFL

**Republican Lead:** Urdahl-R

Champion-DFL	McFarlane-R
Davids-R	Morrow-DFL
Hausman-DFL	Rosenthal-DFL
Holberg-R	Seifert-R
Hortman-DFL	Torkelson-R
Lieder-DFL	Welti-DFL
Masin-DFL	

### **Staff**

#### **Committee Administrator**

Abbey Bryduck .....296-5413

#### **Committee Legislative Assistant**

Susie Maher .....296-5494

## Health Care and Human Services Policy and Oversight

351 State Office Building .....296-5375  
Meets: Tuesdays, Wednesdays and Thursdays  
at 2:45 p.m. in Room 200\*

**Members:** 20

**Chair:** Thissen-DFL

**Vice Chair:** Liebling-DFL

**Republican Lead:** Abeler-R

Brod-R	Laine-DFL
Bunn-DFL	Loeffler-DFL
Emmer-R	Mack-R
Fritz-DFL	Murphy, E.-DFL
Gardner-DFL	Norton-DFL
Gottwalt-R	Ruud-DFL
Hayden-DFL	Thao-DFL
Huntley-DFL	Torkelson-R
Kelly-R	

### Staff

#### Committee Administrator

Kate Perushek .....296-3244

#### Committee Legislative Assistant

Urszula Gryska .....296-5492

## Licensing Division

359 State Office Building .....296-5158  
Meets: Fridays at 8:30 a.m. in Room 200\*

**Members:** 8

**Chair:** Thao-DFL

**Vice Chair:** Bunn-DFL

**Republican Lead:** Dean-R

Abeler-R	Norton-DFL
Emmer-R	Ruud-DFL
Murphy, E.-DFL	

### Staff

#### Committee Administrator

Kate Perushek .....296-3244

#### Committee Legislative Assistant

Urszula Gryska .....296-5492

## K-12 Education Policy and Oversight

563 State Office Building .....296-9714  
Meets: Tuesdays, Wednesdays and Thursdays  
at 8:30 a.m. in the Basement Hearing Room\*

**Members:** 22

**Chair:** Mariani-DFL

**Vice Chair:** Kath-DFL

**Republican Lead:** McFarlane-R

Abeler-R	Loon-R
Benson-DFL	Murdock-R
Brynaert-DFL	Newton-DFL
Davnie-DFL	Nornes-R
Demmer-R	Norton-DFL
Dittrich-DFL	Obermueller-DFL
Doepke-R	Peterson, S.-DFL
Downey-R	Slawik-DFL
Faust-DFL	Swails-DFL
Greiling-DFL	

### Staff

#### Committee Administrator

Christina Gosack .....296-5524

#### Committee Legislative Assistant

Celeste Marin .....296-9115

## Public Safety Policy and Oversight

379 State Office Building .....296-3709  
Meets: Tuesdays and Thursdays at 1:00 p.m.  
in Room 10\*

**Members:** 17

**Chair:** Hilstrom-DFL

**Vice Chair:** Bigham-DFL

**Republican Lead:** Anderson, B.-R

Cornish-R	Lesch-DFL
Drazkowski-R	Masin-DFL
Jackson-DFL	Mullery-DFL
Johnson-DFL	Olin-DFL
Kath-DFL	Paymar-DFL
Kelly-R	Rosenthal-DFL
Kohls-R	Shimanski-R

### Staff

#### Committee Administrator

Peter Strohmeier .....296-5069

#### Committee Legislative Assistant

Erin Huppert .....296-2585

## Crime Victims/Criminal Records Division

537 State Office Building .....296-4224  
Meets: Fridays at 8:30 a.m. in Room 5\*

**Members:** 8

**Chair:** Lesch-DFL

**Vice Chair:** Shimanski-R

Hilstrom-DFL	Loon-R
Kath-DFL	Olin-DFL
Kohls-R	Paymar-DFL

### Staff

#### Committee Administrator

Patrick Baldwin .....296-4283

#### Committee Legislative Assistant

Erin Huppert .....296-2585

## Rules and Legislative Administration

459 State Office Building .....296-0172  
Meets: At the call of the chair in (No Room  
Assigned)\*

**Members:** 25

**Chair:** Sertich-DFL

**Vice Chair:** Hayden-DFL

**Republican Lead:** Gunther-R

Anderson, B.-R	Magnus-R
Carlson-DFL	Morrow-DFL
Dettmer-R	Murphy, E.-DFL
Dill-DFL	Pelowski-DFL
Hilstrom-DFL	Peterson, S.-DFL
Hoppe-R	Seifert-R
Hortman-DFL	Simon-DFL
Howes-R	Solberg-DFL
Juhnke-DFL	Westrom-R
Lillie-DFL	Winkler-DFL
Loeffler-DFL	Zellers-R

### Staff

#### Committee Administrator

Thomas Dicklich .....296-9183

#### Committee Legislative Assistant

Joan Harrison .....296-2909



## State and Local Government Operations Reform, Technology and Elections

491 State Office Building .....296-8637  
Meets: Tuesdays, Wednesdays and Thursdays  
at 8:30 a.m. in Room 200\*

**Members:** 19

**Chair:** Pelowski-DFL

**Vice Chair:** Poppe-DFL

**Republican Lead:** Emmer-R

Anderson, P.-R	Lanning-R
Buesgens-R	Marquart-DFL
Gottwalt-R	Morrow-DFL
Hilty-DFL	Nelson-DFL
Hornstein-DFL	Sanders-R
Kahn-DFL	Simon-DFL
Kalin-DFL	Sterner-DFL
Kiffmeyer-R	Winkler-DFL

### Staff

#### Committee Administrator

Mark Mallander .....296-5389

#### Committee Legislative Assistant

Kathy Anderson.....296-3806

## Local Government Division

569 State Office Building .....296-3751  
Meets: Mondays at 4:30 p.m. in Room 200\*

**Members:** 11

**Chair:** Nelson-DFL

**Vice Chair:** Sterner-DFL

**Republican Lead:** Eastlund-R

Beard-R	Lanning-R
Buesgens-R	Scalze-DFL
Hilty-DFL	Winkler-DFL
Hornstein-DFL	Pelowski-DFL
Kalin-DFL	<b>ex-officio**</b>

### Staff

#### Committee Administrator

Andy Pomroy .....296-4180

#### Committee Legislative Assistant

Jennifer Witt .....296-7881

## Taxes

509 State Office Building .....296-4218  
Meets: Mondays at 2:45 p.m. and Tuesdays and  
Wednesdays at 10:30 a.m. in Room 10\*

**Members:** 30

**Chair:** Lenczewski-DFL

**Vice Chair:** Reinert-DFL

**Republican Lead:** Brod-R

Anderson, S.-R	Lanning-R
Carlson-DFL	Lesch-DFL
Davids-R	Liebling-DFL
Davnie-DFL	Loeffler-DFL
Demmer-R	Loon-R
Dill-DFL	Marquart-DFL
Dittrich-DFL	Mullery-DFL
Downey-R	Murphy, E.-DFL
Eastlund-R	Rukavina-DFL
Gardner-DFL	Ruud-DFL
Garofalo-R	Solberg-DFL
Hilstrom-DFL	Tillberry-DFL
Koenen-DFL	Zellers-R
Kohls-R	

### Staff

#### Committee Administrator

Sarah Carlson-Wallrath .....296-8826

#### Committee Legislative Assistant

Sasha Bergman .....296-2955

## Property and Local Sales Tax Division

597 State Office Building .....296-6829  
Meets: Wednesdays at 1:00 p.m. in Room 10\*

**Members:** 11

**Chair:** Marquart-DFL

**Vice Chair:** Dittrich-DFL

**Republican Lead:** Lanning-R

Dettmer-R	Loeffler-DFL
Garofalo-R	Mullery-DFL
Koenen-DFL	Scott-R
Lenczewski-DFL	Tillberry-DFL

### Staff

#### Committee Administrator

Sarah Carlson-Wallrath .....296-8826

#### Committee Legislative Assistant

Paul Cumings .....296-5380

## Ways and Means

443 State Office Building .....296-2365  
Meets: Mondays at 10:30 a.m. or call of the  
chair in Room 200\*

**Members:** 27

**Chair:** Solberg-DFL

**Vice Chair:** Faust-DFL

**Republican Lead:** Holberg-R

Abeler-R	Lenczewski-DFL
Brynaert-DFL	Mahoney-DFL
Bunn-DFL	Mariani-DFL
Carlson-DFL	McNamara-R
Davids-R	Nelson-DFL
Dean-R	Otremba-DFL
Demmer-R	Ruud-DFL
Eken-DFL	Scalze-DFL
Hamilton-R	Swails-DFL
Hilstrom-DFL	Tillberry-DFL
Hoppe-R	Westrom-R
Huntley-DFL	Seifert-R
Kahn-DFL	<b>ex-officio**</b>

### Staff

#### Committee Administrator

Brian Shekleton .....296-4110

#### Committee Legislative Assistant

Gerrie Boice .....296-5388

## Thursday, Feb. 4

### HF2408-Doepke (R)

#### Finance

Minnetonka Beach pedestrian and bike tunnel funding provided.

### HF2409-Faust (DFL)

#### Finance

Spring Lake Trail funding provided.

### HF2410-Loeffler (DFL)

#### Finance

Minneapolis; Northtown Rail Yard bridge funding provided.

### HF2411-Juhnke (DFL)

#### Finance

New London; dam renovation funding provided.

### HF2412-Hansen (DFL)

#### Finance

Metropolitan sewers system inflow and infiltration funding provided.

### HF2413-Howes (R)

#### Finance

Shingobee Trail Connection funding provided.

### HF2414-Garofalo (R)

#### Finance

Charter school aid payment percentage increased.

### HF2415-Faust (DFL)

#### Finance

Mora water treatment plant funding provided.

### HF2416-Davnie (DFL)

#### Finance

Minneapolis; emergency operations center and fire training facility funding provided.

### HF2417-Garofalo (R)

#### Finance

State aid payment schedule modified for charter schools.

### HF2418-Faust (DFL)

#### Finance

Mora; wastewater treatment plant renovation funding provided.

### HF2419-Persell (DFL)

#### Finance

Leech Lake Tribal College funding provided.

### HF2420-Champion (DFL)

#### Finance

Target Center funding provided for safety and security.

### HF2421-Faust (DFL)

#### Finance

Mora; police station funding provided.

### HF2422-Bunn (DFL)

#### Commerce & Labor

Gambling Control Board director allowed flexibility in allowable expenses.

### HF2423-Bunn (DFL)

#### Finance

Interstate 94 corridor park-and-ride facility funding provided.

### HF2424-Brynaert (DFL)

#### Finance

Mankato Civic Center and All Seasons Arena expansion funding provided.

### HF2425-Rukavina (DFL)

#### Finance

Mesabi Range Community and Technical College funding provided for the Iron Range engineering program.

### HF2426-Morrow (DFL)

#### Finance

Postsecondary enrollment options program modified.

### HF2427-Morrow (DFL)

#### Finance

Trunk Highway 14 construction project requirements established.

### HF2428-Morrow (DFL)

#### Finance

Gaylord Area Regional Aquatic Center design and construction funding provided.

### HF2429-Gardner (DFL)

#### Finance

Anaerobic digester funding provided.

### HF2430-Morrow (DFL)

#### Finance

Minnesota Valley Regional Railroad Authority funding provided to rehabilitate tracks.

### HF2431-Greiling (DFL)

#### Finance

School finance system modified and new education funding framework created.

### HF2432-Abeler (R)

#### Finance

Ramsey; Northstar Commuter Rail station funding provided.

### HF2433-Eken (DFL)

#### Finance

Flood damage reduction projects funding provided.

### HF2434-Haws (DFL)

#### Finance

Northstar Commuter Rail extension funding provided from Big Lake to St. Cloud.

### HF2435-Hilty (DFL)

#### Finance

Carlton County community services building funding provided.

### HF2436-Hilty (DFL)

#### Finance

Moose Lake Water and Light Commission public utility infrastructure expansion funding provided to support MSOP Phase II.

### HF2437-Ward (DFL)

#### Finance

Brainerd; new veterans nursing home funding provided.

### HF2438-Poppe (DFL)

#### Finance

Austin; flood mitigation funding provided.

### HF2439-Beard (R)

#### Finance

Lower Minnesota River Watershed District funding provided for dredge material site projects.

### HF2440-Atkins (DFL)

#### Finance

Minnesota Nuclear Waste Storage Commission created, ratepayer fees required for permanent storage of high-level radioactive waste to be remitted to the commissioner of homeland security and emergency management, nuclear waste escrow account modified and money appropriated.

### HF2441-Anzelc (DFL)

#### Finance

Koochiching County; plasma torch gasification facility grant purpose clarified.

### HF2442-Olin (DFL)

#### Finance

Thief River Falls; airport hanger grant provided.

### HF2443-Haws (DFL)

#### Finance

Minnesota State Colleges and Universities Board of Trustees lease revenue payment provided.

### HF2444-Anzelc (DFL)

#### Finance

Voyageurs Heritage Center and Voyageurs National Park headquarters funding provided.

### HF2445-Persell (DFL)

#### Finance

Bemidji; Headwaters Science Center funding provided.

### HF2446-Dill (DFL)

#### Finance

Two Harbors; campground expansion funding provided.

### HF2447-Scalze (DFL)

#### Finance

Ramsey County; Trunk Highway 36 and Rice Street appropriation modified.

### HF2448-Anzelc (DFL)

#### Finance

Nashwauk; community building and early childhood center funding provided.

### HF2449-Loeffler (DFL)

#### Finance

Shade tree replacement funding provided.

### HF2450-Doty (DFL)

#### Health Care & Human Services Policy & Oversight

Personal care assistance program modified.

### HF2451-Scalze (DFL)

#### Finance

Ramsey County; public infrastructure grant provided to accommodate bioscience business development.

### HF2452-Doty (DFL)

#### Finance

Camp Ripley funding provided to complete Phase II of the comprehensive emergency management training facility.

### HF2453-Faust (DFL)

#### Finance

Pine City; fire station funding provided.

### HF2454-Bigham (DFL)

#### Finance

South St. Paul; sewage plant pumping station replacement funding provided.

### HF2455-Kath (DFL)

#### Finance

Steele County; history center grant provided.

### HF2456-Reinert (DFL)

#### Finance

Lake Superior Center renovation predesign funding provided for transfer to University of Minnesota, Duluth.

### HF2457-Thao (DFL)

#### Finance

Saint Paul; University Avenue streetscaping funding provided.



**HF2458-Slawik (DFL)****Finance**

Early childhood learning and child protection facility funding provided for construction and rehabilitation.

**HF2459-Sterner (DFL)****Finance**

Minnesota Zoo capital projects funding provided.

**HF2460-Doty (DFL)****Finance**

Cass, Crow Wing and Morrison counties; Mississippi River Crossroads Trail funding provided to design and acquire land.

**HF2461-Mullery (DFL)****Finance**

Lowry Avenue Bridge Phase II funding provided.

**HF2462-Welti (DFL)****Taxes**

County veteran service officer estimated salary and expenses paid.

**HF2463-Ward (DFL)****Public Safety Policy & Oversight**

Crow Wing County; substance monitoring pilot project established for certain persons with revoked driver's licenses.

**HF2464-Fritz (DFL)****Finance**

Blooming Prairie; sewer improvement funding provided.

**HF2465-Obermueller (DFL)****Finance**

Eagan; Caponi Art Park funding provided.

**HF2466-Fritz (DFL)****Finance**

Minnesota State Academies funding provided for predesign of a new technology center in place of renovation of Mott Hall.

**HF2467-Bigham (DFL)****Finance**

Red Rock Corridor park-and-ride facility funding provided.

**HF2468-Brod (R)****Agriculture, Rural Economies & Veterans Affairs**

"Soldiers' rest" cemetery burial eligibility broadened.

**HF2469-Faust (DFL)****Finance**

Hinckley Fire State Monument renovation funding provided.

**HF2470-Hilstrom (DFL)****Public Safety Policy & Oversight**

Scanning device and re-encoder use to acquire information from payment cards included as identity theft.

**HF2471-Kalin (DFL)****Finance**

Swedish Immigrant Regional Trail funding provided.

**HF2472-Welti (DFL)****Finance**

Minnesota Workforce Center at Rochester Community and Technical College funding provided to renovate infrastructure and collocate.

**HF2473-Kelly (R)****Finance**

Goodhue Pioneer Trail funding provided.

**HF2474-Olin (DFL)****Finance**

Thief River Falls Regional Airport hangar funding provided.

**HF2475-Carlson (DFL)****Finance**

Golden Valley; snowmaking facilities and winter recreation center funding provided for Theodore Wirth Regional Park.

**HF2476-Pelowski (DFL)****Finance**

Port development funding provided.

**HF2477-Hansen (DFL)****Finance**

Reinvest in Minnesota reserve program funds prohibited from being used for mitigation, bond fund recipients required to use certain low-impact development standards for natural resources asset preservation and replacement and RIM conservation reserve.

**HF2478-Jackson (DFL)****Finance**

Princeton; public safety building funding provided.

**HF2479-Lillie (DFL)****Finance**

State trail development, trail connection and regional trail funding provided.

**HF2480-Lillie (DFL)****Finance**

Maplewood; regional firefighter training facility funding provided.

**HF2481-Nelson (DFL)****Finance**

Public housing rehabilitation funding provided.

**HF2482-Rukavina (DFL)****Finance**

Independent School District No. 706, Virginia Public Schools, funding provided for an early childhood education and Head Start center.

**HF2483-Atkins (DFL)****Finance**

Rock Island Bridge park and trail development funding provided, demolition or removal of bridge moratorium repealed.

**HF2484-Sterner (DFL)****Finance**

Rosemount; park-and-ride lot and transit shelter grant provided.

**HF2485-Atkins (DFL)****Finance**

Rock Island Bridge moratorium on demolition or removal repealed.

**HF2486-Hosch (DFL)****Finance**

Rocori Trail funding provided.

**HF2487-Severson (R)****Finance**

Sauk River Park funding provided.

**HF2488-Mahoney (DFL)****Finance**

Metropolitan Council funding provided for improvements to the Phalen-Keller Regional Park.

**HF2489-Juhnke (DFL)****Finance**

Ridgewater College, Willmar; Phase II funding provided.

**HF2490-Johnson (DFL)****Finance**

Battle Creek Winter Recreation Area funding provided.

**HF2491-Juhnke (DFL)****Finance**

Glacial Lakes State Trail funding provided for extension from New London to Sibley State Park.

**HF2492-Johnson (DFL)****Finance**

Union Depot multimodal transit center funding provided.

**HF2493-Haws (DFL)****Finance**

St. Cloud State University funding provided for an integrated science and engineering laboratory facility.

**HF2494-Winkler (DFL)****Finance**

Cooperative local facility grant program funding provided.

**HF2495-Huntley (DFL)****Finance**

Duluth airport funding provided for new terminal facilities.

**HF2496-Reinert (DFL)****Finance**

Duluth; sanitary sewer overflow storage construction funding provided.

**HF2497-Murphy, M. (DFL)****Finance**

Duluth; sanitary sewer overflow storage construction funding provided.

**HF2498-Juhnke (DFL)****Finance**

Kandiyohi County; new veterans home funding provided.

**HF2499-Mullery (DFL)****Finance**

Minnesota State Colleges and Universities Board of Trustees required to study technical education credentials.

**HF2500-Murphy, M. (DFL)****Finance**

Northern Lights Express Passenger Rail funding provided.

**HF2501-Bunn (DFL)****Finance**

Lake Elmo; water and sewer improvement funding provided.

**HF2502-Mullery (DFL)****Finance**

Low-income student pilot program established to integrate basic education and technical education, and money appropriated.

**HF2503-Murphy, E. (DFL)****Finance**

St. Paul; two bicycle and pedestrian bridges over Interstate 94 replacement funding provided.

**HF2504-Haws (DFL)****Finance**

St. Cloud Regional Airport funding provided.

**HF2505-Mullery (DFL)****Agriculture, Rural Economies & Veterans Affairs**

Minneapolis; Veterans Victory Memorial Drive designated as the official site of Veterans Day ceremonies for the state of Minnesota.

**HF2506-Haws (DFL)****Finance**

Allied Health Center at St. Cloud Technical College renovation funding provided.

**HF2507-Johnson (DFL)****Finance**

St. Paul Port Authority funding provided for dockwall reconstruction.

**HF2508-Garofalo (R)****Finance**

State aid payment shift and property tax recognition shift statutorily established, and shift repayment clarified.

**HF2509-Kahn (DFL)****State & Local Government  
Operations Reform, Technology  
& Elections**

General fund matching appropriations transfer to the Help America Vote Act account provided.

**HF2510-Gardner (DFL)****State & Local Government  
Operations Reform, Technology  
& Elections**

Threats of reprisal against a person who is or is considering being a candidate prohibited.

**HF2511-Mullery (DFL)****Taxes**

Additional authority allowed to spend increments for housing replacement district plans, Brooklyn Park authorized to establish housing replacement districts, local contribution requirement for housing replacement district eliminated and St. Paul and Fridley reauthorized to use special laws for housing replacement.

**HF2512-Gardner (DFL)****State & Local Government  
Operations Reform, Technology  
& Elections**

Bottled water use discouraged in state offices.

**HF2513-Mullery (DFL)****Finance**

State financial aid for part-time enrollment modified.

**HF2514-Dill (DFL)****Finance**

Sparsity revenue guarantee extended to all qualifying school districts.

**HF2515-Mullery (DFL)****Finance**

Crisis intervention team training established for school liaison officers.

**HF2516-Dill (DFL)****Finance**

Namakan Basin Joint Powers Board grant provided for predesign of a wastewater collection and treatment facility.

**HF2517-Olin (DFL)****Finance**

Lancaster Community Center funding provided.

**HF2518-Solberg (DFL)****Taxes**

Business incubator exemption modified.

**HF2519-Solberg (DFL)****Finance**

Grand Rapids; at-grade railroad crossing improvement funding provided.

**HF2520-Anzelc (DFL)****Finance**

Koochiching County; Renewable energy clean air project funding provided.

**HF2521-Murphy, M. (DFL)****Finance**

Arrowhead regional corrections facility funding provided.

**HF2522-Garofalo (R)****Taxes**

2010 city market value credit reductions extended to 2011 and 2012.

**HF2523-Laine (DFL)****Finance**

Fridley; Springbrook Nature Center funding provided.

**HF2524-Nelson (DFL)****Finance**

North Hennepin Community College Center for Business and Technology funding provided.

**HF2525-Hayden (DFL)****Finance**

Grand Rounds Scenic Byway lighting renovation funding provided.

**HF2526-Mullery (DFL)****Finance**

Veterans Victory Memorial Parkway funding provided.

**HF2527-Davnie (DFL)****Taxes**

Low-income housing project construction material exemption expanded.

**HF2528-Kelliher (DFL)****Finance**

Minneapolis; Orchestra Hall and Peavey Plaza renovation funding provided.

**HF2529-Kahn (DFL)****Finance**

Minneapolis; Granary Road development funding provided.

**HF2530-Wagenius (DFL)****Finance**

Hiawatha Light Rail transit corridor funding provided.

**HF2531-Hornstein (DFL)****Finance**

Interstate 35W storm tunnel funding provided.

**HF2532-Champion (DFL)****Finance**

Bottineau Boulevard Transit Way funding provided.

**HF2533-Hornstein (DFL)****Finance**

Minneapolis transportation interchange facility funding provided.

**HF2534-Fritz (DFL)****Finance**

Ellendale; tornado siren design and construction funding provided.

**HF2535-Hornstein (DFL)****Finance**

Minneapolis; Interstate 35W and Third and Fourth Streets South interchange funding provided.

**HF2536-Falk (DFL)****Finance**

Minnesota West Community and Technical College, Canby, funding provided for a wind turbine facility.

**HF2537-Falk (DFL)****Finance**

Average daily membership definition expanded for purposes of calculating elementary sparsity revenue.

**HF2538-Ward (DFL)****Agriculture, Rural Economies  
& Veterans Affairs**

American Legion Day designated as Sept. 16 of each year.

**HF2539-Ward (DFL)****Finance**

Crosby; water treatment facility funding provided.

**HF2540-Faust (DFL)****Finance**

Braham; utility, water and sewer improvement funding provided.

**HF2541-Nornes (R)****Finance**

Fergus Falls; ice arena funding provided.

**HF2542-Nornes (R)****Finance**

Fergus Falls; Tower Road Bridge funding provided.

**HF2543-Shimanski (R)****Finance**

Plato; community center accessibility improvement funding provided.

**HF2544-Norton (DFL)****Finance**

Southern Rail Corridor project funding provided.

**HF2545-Poppe (DFL)****State & Local Government****Operations Reform, Technology  
& Elections**

Minnesota State Colleges and Universities system refund repayment authorized to employee covered by the individual retirement account plan.

**HF2546-Nornes (R)****Finance**

Glendalough State Park new trail funding provided.

**HF2547-Winkler (DFL)****Finance**

Perpich Center for Arts Education funding provided.

**HF2548-Eken (DFL)****Finance**

Local roads and bridges funding provided.

**HF2549-Shimanski (R)****Finance**

Luce Line Trail funding provided.

**HF2550-Poppe (DFL)****State & Local Government****Operations Reform, Technology  
& Elections**

Member contribution refund repayment permitted, second chance option authorized to elect Teachers Retirement Association retirement plan benefit coverage, and certain contributions mandated.

**HF2551-Huntley (DFL)****Finance**

University of Minnesota, Duluth; American Indian Learning Resource Center funding provided.

**HF2552-Simon (DFL)****State & Local Government****Operations Reform, Technology  
& Elections**

State primary date changed, and certain primary-related dates and provisions changed.

**HF2553-Hortman (DFL)****Finance**

Coon Rapids dam renovation funding provided.

**HF2554-Simon (DFL)****Finance**

Southwest Corridor light rail line funding provided.

**HF2555-Kelliher (DFL)****Finance**

Minneapolis Sculpture Garden renovation funding provided.

**HF2556-Brown (DFL)****Finance**

Shell Rock River watershed funding provided.

**HF2557-Kahn (DFL)****State & Local Government****Operations Reform, Technology  
& Elections**

State webmaster position established, and state chief information officer required to develop standards for enhanced public access to state electronic records.

**HF2558-Hortman (DFL)****Finance**

Foley Boulevard Northstar Commuter Rail station funding provided.

**HF2559-Gardner (DFL)****Finance**

Public water suppliers required to recover the costs of providing service, and eligibility modified for loans and grants administered by the Public Facilities Authority.

**HF2560-Hausman (DFL)****Environment Policy & Oversight**

Financial assurance provided for nonferrous metallic mineral mining.

**HF2561-Kalin (DFL)****Transportation & Transit Policy & Oversight Division**

North Branch; Veterans Memorial Bridge on marked Trunk Highway 95 designated.

**HF2562-Thissen (DFL)****Health Care & Human Services Policy & Oversight**

COBRA premium state subsidy eligibility extended and modified.

**HF2563-Ward (DFL)****Finance**

Minnesota Faith in Action permanent funding allocated.

**HF2564-Hayden (DFL)****Health Care & Human Services Policy & Oversight**

Minnesota Family Investment Program time limit on assistance modified.

**HF2565-Kahn (DFL)****Finance**

State data center funding provided.

**HF2566-Pelowski (DFL)****State & Local Government****Operations Reform, Technology & Elections**

Absentee ballot processes modified and certain election administration provisions changed.

**HF2567-Morrow (DFL)****Finance**

Gold Star motor vehicle license plate eligibility extended to include children and siblings of persons who have died while serving in active military service.

**HF2568-Carlson (DFL)****Finance**

Gillette Children's Specialty Healthcare construction project funding provided.

**HF2569-Koenen (DFL)****Finance**

Gillette Children's Specialty Healthcare construction project funding provided.

**HF2570-Anzelc (DFL)****Higher Education & Workforce Development Finance & Policy Division**

Douglas J. Johnson economic protection trust fund and the Ironworld Discovery Center renamed.

**HF2571-Sertich (DFL)****Finance**

St. Louis County Arrowhead region multipurpose sports facility funding provided.

**HF2572-Demmer (R)****Finance**

"Proud to be a Veteran" license plate authorized on self-propelled recreational vehicles.

**HF2573-Morrow (DFL)****Finance**

Special Highway 14 plates authorized.

**HF2574-Falk (DFL)****Finance**

Restrictions governing disability parking modified.

**HF2575-Kalin (DFL)****Transportation & Transit Policy & Oversight Division**

North Branch; Corporal Johnathan Benson Memorial Highway designated.

**HF2576-Hayden (DFL)****Health Care & Human Services Policy & Oversight**

Minnesota Family Investment Program hardship extensions expanded.

**HF2577-Carlson (DFL)****State & Local Government****Operations Reform, Technology & Elections**

Legislators allowed to call a special session; constitutional amendment proposed.

**HF2578-Hackbarth (R)****Commerce & Labor**

Gambling authorized as other than pari-mutuel betting at a licensed racetrack; constitutional amendment proposed.

**HF2579-Emmer (R)****State & Local Government****Operations Reform, Technology & Elections**

Voters required to provide picture identification before receiving a ballot, issuance of voter identification cards provided at no charge and procedure established for provisional balloting.

**HF2580-Lenczewski (DFL)****Finance**

Angel investment grant provided, phase-in of single sales apportionment delayed.

**HF2581-Carlson (DFL)****K-12 Education Policy & Oversight**

Seat belt requirements amended for procurement of school buses.

**HF2582-Clark (DFL)****Health Care & Human Services Policy & Oversight**

Asthma coverage demonstration project medical assistance coverage modified.

**HF2583-Falk (DFL)****Commerce & Labor**

Holder of intoxicating liquor license allowed to own and operate a farm winery.

**HF2584-Gunther (R)****Finance**

Fairmont; bridge funding provided.

**HF2585-Lieder (DFL)****Finance**

Town road sign funding provided.

**HF2586-Sailer (DFL)****Finance**

Solar power installation grant program funding provided.

**HF2587-Lieder (DFL)****Taxes**

Marshall County; special agricultural homesteads allowed for certain taxpayers due to floods.

**HF2588-Gunther (R)****Finance**

Winnebago; museum funding provided.

**HF2589-Thissen (DFL)****Health Care & Human Services Policy & Oversight**

Comprehensive advanced life-support educational program transferred to the commissioner of health.

**HF2590-Hausman (DFL)****Finance**

Appropriation and bond authorization for capital investment projects procedures clarified.

**HF2591-Lieder (DFL)****Finance**

Local bridge funding provided.

**HF2592-Falk (DFL)****Taxes**

Sales tax exemptions provided for public safety radio communications equipment upgrade purchased by counties.

**HF2593-Howes (R)****Finance**

"Choose Life" special license plates authorized, and adoption support account established.

**HF2594-Bigham (DFL)****Finance**

Hoffman Interlocking Capacity Improvement funding provided.

**HF2595-Falk (DFL)****Commerce & Labor**

Power limited technician education requirements modified.

**HF2596-Bigham (DFL)****Finance**

High-speed rail line between Chicago and the Twin Cities funding provided.

**HF2597-Ward (DFL)****Health Care & Human Services Policy & Oversight**

Board of Medical Practice limited from bringing a disciplinary action against a physician for prescribing, administering or dispensing long-term antibiotic therapy for chronic Lyme disease.

**HF2598-Hilty (DFL)****Finance**

Soo Line Trail funding provided.

**HF2599-Falk (DFL)****Commerce & Labor**

Live check solicitations prohibited.

**HF2600-Mullery (DFL)****Commerce & Labor**

Licensing and regulation provided for an individual engaged in the business of a mortgage loan originator or the mortgage loan business.

**HF2601-Ward (DFL)****Finance**

Greater Minnesota business development infrastructure grant program funding provided.

**HF2602-Peppin (R)****Finance**

Crow River Regional Park funding provided.

**HF2603-Mullery (DFL)****Civil Justice**

Law enforcement agencies prohibited from releasing data in certain situations.

**HF2604-Hayden (DFL)****Civil Justice**

Stay of mortgage foreclosure proceedings allowed under certain conditions and tenants provided rights of foreclosed property.

**HF2605-Mullery (DFL)****Commerce & Labor**

Termination prohibited under certain circumstances.

**HF2606-Hilty (DFL)****Finance**

Carlton County; business park and housing development funding provided.



**HF2607-Mullery (DFL)****Public Safety Policy & Oversight**

Detention placement options clarified for extended jurisdiction juveniles pending revocation hearings.

**HF2608-Hilstrom (DFL)****Public Safety Policy & Oversight**

Protection area extended to a reasonable area around residence or dwelling in ex parte orders for protection.

**HF2609-Thissen (DFL)****Civil Justice**

Disclosure of disciplinary records limited.

**HF2610-Mullery (DFL)****Civil Justice**

Property forfeiture provisions changed, and sale of forfeited property by law enforcement officers, employees and family members.

**HF2611-Mullery (DFL)****Commerce & Labor**

Credit default insurance regulated.

**HF2612-Hilstrom (DFL)****Civil Justice**

Civil commitment venue clarified.

**HF2613-Hilstrom (DFL)****Commerce & Labor**

Mediation provided prior to commencement of mortgage foreclosure proceedings on homestead property and homestead-lender mediation account created.

**HF2614-Huntley (DFL)****Finance**

Intensive care management program established for medical assistance enrollees, funding reduced for the medical assistance program, request for proposals required and report required.

**HF2615-Mullery (DFL)****Civil Justice**

Process streamlined for connecting an owner facing a residential mortgage foreclosure with an authorized foreclosure prevention agency and with a person authorized to negotiate on behalf of the foreclosing lender.

**HF2616-Kahn (DFL)****Public Safety Policy & Oversight**

Bicyclists allowed to stop and proceed through red light under limited circumstances.

**HF2617-Scalze (DFL)****Taxes**

Housing improvement areas concerning petitions and veto powers provisions changed.

**HF2618-Mullery (DFL)****Public Safety Policy & Oversight**

Court required to provide a general notice of collateral sanctions to a juvenile before accepting a guilty plea.

**HF2619-Mullery (DFL)****Public Safety Policy & Oversight**

Admissibility of a child's statements made during a mental health examination prohibited on the issue of guilt.

**HF2620-Hilty (DFL)****Finance**

St. Louis River Trail funding provided.

**HF2621-Doty (DFL)****Agriculture, Rural Economies & Veterans Affairs**

Higher education benefits and residency requirements for spouse and children of deceased veterans.

**HF2622-Cornish (R)****Finance**

Blue Earth River designated as a canoe and boating route.

**HF2623-Hosch (DFL)****Health Care & Human Services Policy & Oversight**

Clarification of coverage for children's therapeutic services.

**HF2624-Wagenius (DFL)****Finance**

Environmental and natural resources funding provided.

**HF2625-Rukavina (DFL)****Commerce & Labor**

Prohibiting use of credit information as basis for changing motor vehicle or homeowner's insurance policies.

**HF2626-Persell (DFL)****Finance**

Deer River; community facility funding provided.

**HF2627-Knuth (DFL)****Finance**

New Brighton; former Northwest Refinery site cleanup funding provided.

**HF2628-Mullery (DFL)****Commerce & Labor**

Requiring contractors or subcontractors to enter apprenticeship agreement.

**HF2629-Dill (DFL)****Commerce & Labor**

A municipality's right to own and operate a telephone exchange election rules changed.

**HF2630-Koenen (DFL)****Finance**

Marshall; Minnesota Emergency Response and Industrial Training Center funding provided.

**HF2631-Knuth (DFL)****Finance**

State emergency operations center funding provided.

**HF2632-Urdahl (R)****Finance**

Litchfield Opera House funding provided.

**HF2633-Masin (DFL)****Taxes**

Disabled veteran homestead market value exclusion time extended for surviving spouses.

**HF2634-Kalin (DFL)****Environment Policy & Oversight**

Mt. Simon-Hinckley aquifer water appropriation prohibitions expanded.

**HF2635-Masin (DFL)****Finance**

Eagan; public servant memorial funding provided.

**HF2636-Hoppe (R)****Finance**

Chanhassen; trail and storm water improvement funding provided.

**HF2637-Hoppe (R)****Finance**

Chanhassen; pedestrian trail underpass funding provided.

**HF2638-Hoppe (R)****Finance**

Chanhassen; Bluff Creek ravine stabilization funding provided.

**HF2639-Johnson (DFL)****Commerce & Labor**

Wireless telecommunications service providers authorized to provide call locations for emergencies.

**HF2640-Rukavina (DFL)****Finance**

Single license plate required on certain motor vehicles.

**HF2641-Sailer (DFL)****Finance**

Independent School District No. 38, Red Lake, maximum effort loan provided.

**HF2642-Kalin (DFL)****Finance**

North Branch; water and sewers system improvement funding provided.

**HF2643-Sailer (DFL)****Finance**

University of Minnesota; Itasca Biological Station in Itasca State Park funding provided.

**HF2644-Lieder (DFL)****Finance**

Oslo; flood hazard mitigation funding provided.

**HF2645-Greiling (DFL)****Finance**

Minnesota Management and Budget requirement repealed for school district state aid payments.

**HF2646-Severson (R)****Public Safety Policy & Oversight**

Firearm silencer permissible purposes expanded.

**HF2647-Dettmer (R)****Finance**

Washington County; Disabled Veterans Rest Camp funding provided.

**HF2648-Dettmer (R)****Taxes**

Military retirement pay subtraction provided.

**HF2649-Dettmer (R)****Taxes**

Income-based reduction eliminated for the individual income tax credit for prior military service.

**HF2650-Urdahl (R)****Finance**

Dassel-Cokato Regional Ice and Sports Center funding provided.

**HF2651-McFarlane (R)****State & Local Government Operations Reform, Technology & Elections**

Public Employees Retirement Association; annuity of an accelerated annuity recipient increased.

**HF2652-Liebling (DFL)****Finance**

Rochester; Pine Island Spur Railroad right-of-way funding provided.

**HF2653-Loeffler (DFL)****Finance**

Central Corridor light rail transit line funding provided to the State Capitol area.

**HF2654-Haws (DFL)****Commerce & Labor**

Electrical license bond requirements modified.

**HF2655-Gardner (DFL)****Environment Policy & Oversight**

State building projects required to recycle at least 50 percent of project waste.

**HF2656-Thao (DFL)****Taxes**

St. Paul; special rules provided for the expenditure of tax increments.

**HF2657-Rukavina (DFL)****Finance**

Revenue bond limit increased for the higher education facilities authority.

**HF2658-Hansen (DFL)****State & Local Government****Operations Reform, Technology & Elections**

Political party inclusion requirement modified on the income tax form and property tax refund return.

**HF2659-Juhnke (DFL)****Environment Policy & Oversight**

Discharge permit requirements for feedlots modified.

**HF2660-Thissen (DFL)****State & Local Government****Operations Reform, Technology & Elections**

Minnesota Coalition for Innovation and Collaboration created, rule and law waivers provided.

**HF2661-Eken (DFL)****Environment Policy & Oversight**

Carlton County; private sale authorized of certain tax-forfeited land that borders public water.

**HF2662-Hilty (DFL)****Environment Policy & Oversight**

Carlton County; public sale authorized of certain tax-forfeited land that borders public water.

**HF2663-Dettmer (R)****Environment Policy & Oversight**

Washington County; private sale authorized of certain tax-forfeited land that borders public water.

**HF2664-Rukavina (DFL)****Environment Policy & Oversight**

St. Louis County; private sale authorized of certain tax-forfeited land.

**HF2665-Mullery (DFL)****Finance**

Discharge plans required for juvenile offenders who have mental or emotional problems.

**HF2666-Solberg (DFL)****Finance**

Blaine; women's and girls' hockey locker room facility at the National Sports Center funding provided.

**HF2667-Gardner (DFL)****Finance**

Redwood County; material recovery facility funding provided.

**HF2668-Mullery (DFL)****Civil Justice**

Procedures modified in expungement in eviction cases, residential covenants added, procedures modified for handling applicant screening fees and rights provided to tenants of foreclosed properties.

**HF2669-Dill (DFL)****Civil Justice**

State and local government tort liability limits restored and requirement of contractors to provide liability in excess of limits prohibited.

**HF2670-Newton (DFL)****Civil Justice**

Unit owners' association powers to take action to encourage prompt delinquent assessment payments specified.

**HF2671-Newton (DFL)****Agriculture, Rural Economies & Veterans Affairs**

Eligibility of veteran-owned small businesses for bid preference program broadened.

**HF2672-Newton (DFL)****Agriculture, Rural Economies & Veterans Affairs**

Transit fee exemption provisions for veterans with service-connected disabilities clarified.

**HF2673-Dettmer (R)****Finance**

Eligibility of disabled veterans for a free annual state park permit expanded.

**HF2674-Newton (DFL)****Agriculture, Rural Economies & Veterans Affairs**

Designation of May 28 as Veterans of Foreign Wars Day.

**HF2675-Newton (DFL)****Agriculture, Rural Economies & Veterans Affairs**

Designation of September 16 as American Legion Day.

**HF2676-Davids (R)****Finance**

Preston; National Trout Learning Center land and funding provided.

**HF2677-Kohls (R)****Finance**

Independent School District No. 110, Waconia, geothermal water-to-water heat pump system funding provided.

**HF2678-Juhnke (DFL)****Finance**

Livestock investment grants funding provided.

**HF2679-Juhnke (DFL)****Finance**

Gold Star license plate eligibility established for surviving son or daughter.

**HF2680-Murphy, E. (DFL)****Health Care & Human Services Policy & Oversight**

Mental health urgent care and consultation services established; general assistance medical care program modified.

**HF2681-Kalin (DFL)****Taxes**

Electric generation facility in-lieu payment agreement modified.

**HF2682-Davids (R)****Taxes**

Wisconsin reciprocity agreement extended and termination permitted only by legislative action.

**HF2683-Dittrich (DFL)****Finance**

Education aid payment schedule adjusted.

**HF2684-Haws (DFL)****Agriculture, Rural Economies & Veterans Affairs**

Surviving spouse and children of a deceased veteran educational benefit eligibility broadened.

**HF2685-Hackbarth (R)****Finance**

Oliver H. Kelley Farm historic site revitalization funding provided.

**HF2686-Eken (DFL)****Finance**

Becker County; transfer station funding provided.

**HF2687-Marquart (DFL)****Finance**

Red River Valley; flood damage reduction project funding provided.

**HF2688-Marquart (DFL)****Finance**

Flood hazard mitigation grant funding provided.

**HF2689-Norton (DFL)****Finance**

Safe schools levy maintenance of effort requirements amended.

**HF2690-Sertich (DFL)****Finance**

Executive agency appropriations required to include proportionate reductions in expenditures on contracts and requirements provided during periods of projected deficits.

**HF2691-Hilstrom (DFL)****Public Safety Policy & Oversight**

State and local jail and prison inmates required to be housed in publicly owned and operated jails and prisons, state and counties prohibited from contracting with private prisons, and Prairie Correctional Facility contract renewal prohibited.

**HF2692-Davnie (DFL)****Finance**

Minneapolis; Midtown Farmers Market funding provided.

**HF2693-Scalze (DFL)****Finance**

Metropolitan Council funding provided for regional park and open-space land acquisition and improvements.

**HF2694-Murphy, E. (DFL)****Health Care & Human Services Policy & Oversight**

Health maintenance organization surcharge increased and related changes made, managed care payment rates increased, general assistance medical care account established, credits provided toward the Health Partners' assessment for the Minnesota Comprehensive Health Association.

**HF2695-Lenczewski (DFL)****Taxes**

Job creation encouraged, tax credits allowed for job growth investment credit and historic structure rehabilitation, deduction of certain dividends disallowed, special assessment use for energy conservation improvements expanded, permitted use of tax increment financing expanded and Bloomington's development restrictions of the Mall of America site repealed.

**HF2696-Lieder (DFL)****Taxes**

East Grand Forks; state area expanded in which tourism facilities may be financed.

**HF2697-Fritz (DFL)****Finance**

Minnesota State Academies funding provided.

**HF2698-Gardner (DFL)****Finance**

Aquatic vegetation control fees modified in certain public waters.

**HF2699-Hilstrom (DFL)****Civil Justice**

Acquisition of the legal right to redeem a residence in foreclosure regulated, and mortgagee notice required after a sheriff's sale of residential real property in foreclosure.

**HF2700-Hausman (DFL)****Finance**

Bonding bill; providing capital improvement funding, new programs established and existing programs modified, previous appropriations canceled and modified.

**HF2701-Atkins (DFL)****Public Safety Policy & Oversight**

Firefighter related terms modified.

**HF2702-Benson (DFL)****Finance**

Nonprofit housing bonds issued for community land trusts.

**HF2703-Greiling (DFL)****K-12 Education Policy & Oversight**

Board of Teaching rulemaking authority clarified.

**HF2704-Lenczewski (DFL)****Taxes**

Internal Revenue Code conforming changes made and deduction of certain dividends disallowed.

**HF2705-Peterson (DFL)****K-12 Education Policy & Oversight**

High school student transition plan implemented for successful pursuit of postsecondary education and employment.

**HF2706-Atkins (DFL)****Commerce & Labor**

Certified public accountant licensing requirements clarified.

**HF2707-Mullery (DFL)****Public Safety Policy & Oversight**

Juvenile delinquency continuance period duration extended.

**HF2708-Mullery (DFL)****Civil Justice**

Conforming change made to provide for the right of the borrower to obtain a postponement of a foreclosure sale that has a 12-month redemption period as is now available for a six-month redemption period.

**HF2709-Norton (DFL)****Civil Justice**

Immunity specified for certain entities in the event of an emergency or disaster.

**HF2710-Hansen (DFL)****Finance**

William O'Brien State Park; land acquisition and funding provided for state parks.

**HF2711-Dittrich (DFL)****K-12 Education Policy & Oversight**

School districts required to use certified mail to notify parents when their children are suspended from school.

**HF2712-Dittrich (DFL)****Finance**

Public school fiber optic infrastructure grant program funding provided and grant program established.

**HF2713-Peterson (DFL)****State & Local Government Operations Reform, Technology & Elections**

Probationary period lengthened for newly hired peace officers in certain statutory cities.

**HF2714-Peterson (DFL)****Finance**

Safe schools levy increased.

**HF2715-Persell (DFL)****Finance**

Bemidji State University and Northwest Technical College funding provided.

**HF2716-Lenczewski (DFL)****Taxes**

Single sales apportionment adoption accelerated.

**HF2717-Dittrich (DFL)****Finance**

Coon Rapids; Anoka Ramsey Community College funding provided.

**HF2718-Slawik (DFL)****Finance**

Maplewood; regional service center and learning institute funding provided.

**HF2719-Poppe (DFL)****Finance**

Sargeant; Sargeant Community Center funding provided.

**HF2720-Mariani (DFL)****Finance**

St. Paul; St. Paul Regional Amateur Sports Facility predesign funding provided.

**HF2721-Sertich (DFL)****Finance**

Hibbing; Carey Lake shared use path funding provided.

**HF2722-Koenen (DFL)****Finance**

Granite Falls; Minnesota River pedestrian bridge rehabilitation funding provided.

**HF2723-Koenen (DFL)****Finance**

Granite Falls; library and senior center funding provided.

**HF2724-Murphy, M. (DFL)****Finance**

Proctor; spur trail funding provided.

**HF2725-Hansen (DFL)****Finance**

Capitol campus security upgrades funding provided.

**HF2726-Juhnke (DFL)****Taxes**

Designation of family agricultural revitalization zones authorized, value-added processing agricultural products promoted and qualified farm definition amended.

**HF2727-Lieder (DFL)****Finance**

Local road improvement program funding provided.

**HF2728-Abeler (R)****Finance**

Explosive growth revenue added to district's general education revenue.

**HF2729-Slocum (DFL)****State & Local Government Operations Reform, Technology & Elections**

Richfield; firefighter limited response time residency requirements permitted.

**HF2730-Haws (DFL)****Finance**

Active Purple Heart recipients eligible for combat wounded vehicle license plate.

**HF2731-Rukavina (DFL)****Finance**

Virginia; regional fire-based emergency medical services facility funding provided.

**HF2732-Anderson, S. (R)****Agriculture, Rural Economies & Veterans Affairs**

Higher education residency requirements for spouse and children of deceased veteran eliminated.

**HF2733-Murphy, M. (DFL)****Finance**

Library accessibility and improvement funding provided.

**HF2734-Lenczewski (DFL)****Finance**

Bloomington; Cedar Avenue Bridge replacement funding provided.

**HF2735-Haws (DFL)****Finance**

St. Cloud; St. Cloud correctional facility funding for security fence provided.

**HF2736-Dean (R)****Health Care & Human Services Policy & Oversight**

MinnesotaCare coverage and eligibility criteria modified for certain single adults and household without children.

**HF2737-Clark (DFL)****Finance**

Hennepin County Medical Center hyperbaric oxygen chamber funding provided.

If you have Internet access, visit the  
Legislature's Web page at:  
[www.leg.mn](http://www.leg.mn)

**Frequently called numbers**

Area code 651

**House Public Information Services**

175 State Office Building .....296-2146

**Meeting Hotline, House**

175 State Office Building .....296-9283

**Chief Clerk of the House**

211 Capitol .....296-2314

**House Index**

211 Capitol .....296-6646

**Senate Information**

231 Capitol .....296-0504

**Secretary of the Senate**

231 Capitol .....296-2344

Voice mail/order bills .....296-2343

**Senate Index**

110 Capitol .....296-2887

**Meeting Hotline, Senate**

231 Capitol .....296-8088



# Come to the Capitol

*Directions, Parking, Visiting the Legislature, Tours, Dining*

## Directions

The State Capitol Complex is north of Interstate 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 Interstate 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. Boulevard. 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 1 p.m. Monday and 10:30 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.

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

Committee meetings are open to the public, as well. Visitors wanting to attend a committee meeting can access committee information through the Legislature's Web site at [www.leg.mn](http://www.leg.mn). House meeting schedules are available by calling 651-296-9283.

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.

For information on reserving a room for group conferences, call the State Office Building room scheduler at 651-296-0306 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 10 a.m. and 2 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.

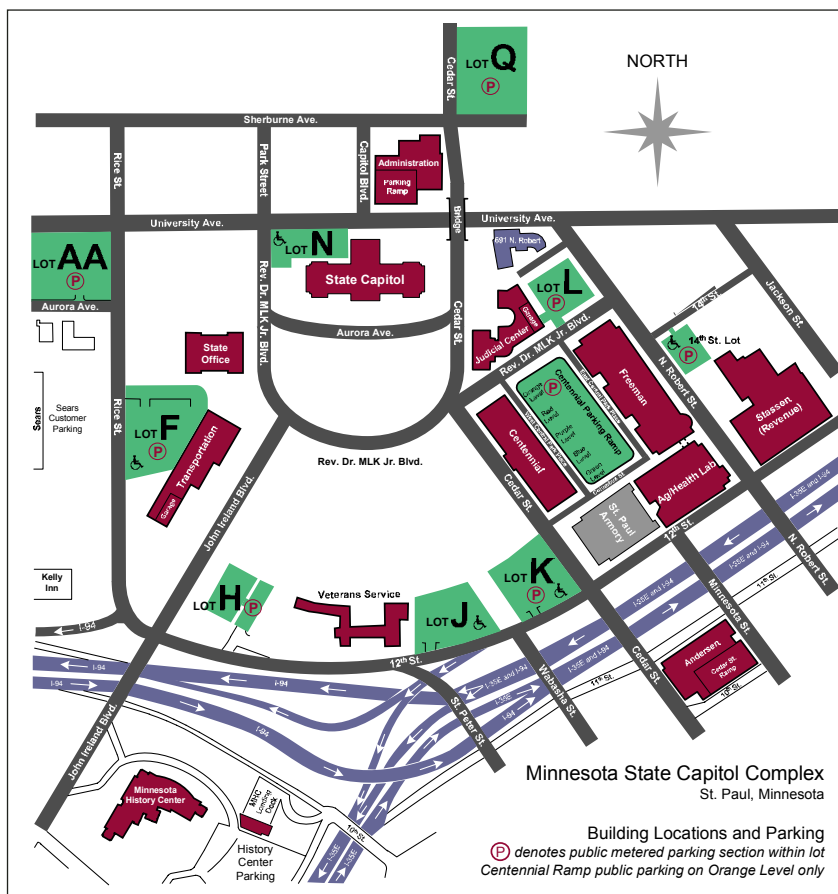
The society offers a number of specialized tours for educational groups ranging from pre-school students to high school seniors. Also, special tour events are scheduled throughout the year. A special events guide is available upon request.

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, Centennial and Stassen buildings, as well as the Judicial Center.

The Rathskeller in the State Capitol is open only when the Legislature is in session.



Edited map courtesy Minnesota Department of Administration, Plant Management Division

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**MAJORITY LEADER: ANTHONY "TONY" SERTICH**

**MINORITY LEADER: KURT ZELLERS**

# MINNESOTA INDEX

## Session 2010

Number of legislative days in a biennium .....	120
Number available for this year .....	62
Legislative days used in 2008, the last bonding year .....	44
In 2006 .....	46
In 2004 .....	52
Days before constitutional deadline in which members adjourned in 2008 .....	1
Days from when the Legislature adjourned in 2009 to the first day of the 2010 session .....	262
Days between the start of session and Election Day, Nov. 2 .....	272
Date by which members must have their work complete .....	May 17
Number of DFL House members .....	87
Republican House members .....	47
DFL advantage in 2008 .....	85-48-1
Republican advantage in 2006 .....	68-66
Number of House members running for governor .....	5
Members who have announced that they are not running	
for re-election .....	3 (Bigham, Kelliher, Seifert)
Bonding request submitted Jan. 15 by Gov. Tim Pawlenty (in millions) .....	\$815
Millions proposed in general obligation bonding .....	\$684.6
Percent of bonding request that are for statewide programs .....	53.3
Percent in Greater Minnesota .....	28.3
Percent in the Twin Cities metropolitan area .....	18.4
Millions in 2008 bonding law .....	\$861.6
Amount from general obligation bonds, in millions .....	\$717
Millions in 2006 bonding law .....	\$999.98
Amount from general obligation bonds, in millions .....	\$948.64
Members in each body that must pass a bonding bill, as percent .....	60
Percent of each body needed to override any gubernatorial veto .....	66.67
Based on the November forecast, anticipated state general fund shortfall at the end of the	
2010-11 biennium, in billions .....	\$1.2
House bills introduced during the 2009 regular session .....	2,407
Senate bills .....	2,166
House bills introduced in 2008, the last bonding year .....	1,704
Senate bills .....	1,532
House bills introduced on the first day of session .....	330
In 2008 .....	302
In 2006 .....	515

**Sources: House Public Information Services, House Chief Clerk's Office, Legislative Reference Library, Office of the Governor, Minnesota Management and Budget.**

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# SESSION WEEKLY



A NONPARTISAN PUBLICATION  
MINNESOTA HOUSE OF REPRESENTATIVES • PUBLIC INFORMATION SERVICES  
VOLUME 27, NUMBER 2 • FEBRUARY 12, 2010

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**GAMC's UNCERTAIN FUTURE — PAGE 16**

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## SESSION WEEKLY

Session Weekly is a nonpartisan publication of Minnesota House of Representatives Public Information Services. During the 2009-2010 Legislative Session, each issue reports House action between Thursdays of each week, lists bill introductions and provides other information. No fee.

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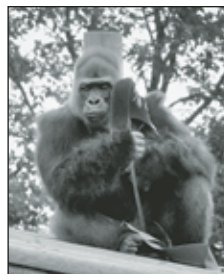
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Session Weekly (ISSN 1049-8176) is published weekly during the legislative session by Minnesota House of Representatives Public Information Services, 175 State Office Building, 100 Rev. Dr. Martin Luther King Jr. Blvd., St. Paul, MN 55155-1298. Periodicals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

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**On the cover:** Seniors from the Academy of Holy Angels in Richfield make their way into the Capitol on a snowy day, Feb. 8.

— Photo by: Tom Olmscheid

# Hard times hit home

As one lawmaker joins the ranks of the unemployed, House leaders push jobs proposals

By Nick Busse

**C**all it a sign of the times: the man in charge of passing employment bills has become an unemployment statistic.

Rep. Tim Mahoney (DFL-St. Paul), who chairs the House division that focuses on workforce development, lost his job as a pipefitter last fall.

"Typically, I work right up until session starts," Mahoney said. "This year, I believe it was Oct. 1 that my last construction job was."

It's a common story for Minnesotans who work in construction. The industry has been especially hard hit by the so-called "Great Recession" that has left nearly 218,000 Minnesotans looking for work.

Mahoney has his salary as a House member to fall back on; still, he said his experience has been "difficult and interesting."

"Any time you lose an income for four months, it's quite a pinch," he said.

He isn't the only one feeling the pinch. This year, lawmakers from both parties have put jobs and the economy at the top of their legislative agendas.

Speaking at a Feb. 4 press conference, House Speaker Margaret Anderson Kelliher (DFL-Mpls) laid out the DFL majority's three-part "jobs agenda": a major capital investment package; a "10-point plan" of business tax incentives; and an economic development reform bill.

"We believe it's very important to do all that we can at the state level to put people back to work," she said.

Kelliher pledged quick action by the Legislature on the capital investment bill, and said Gov. Tim Pawlenty has committed to work with legislative leaders in a bipartisan way to sign a bonding bill early in the session.

"We're going to take the governor at his word, that he's going to work with us," she said.

## Three bills, many strategies

During the interim, members of a special bipartisan House Jobs Task Force called on the expertise of economists, small business owners and community leaders to discuss ways to reduce unemployment. A list of 41 different

"legislative options for creating jobs," resulted, ranging from direct spending programs to tax credits to regulatory reforms.

Many of these ideas have now been incorporated into the three-part plan. The bonding bill, HF2700, sponsored by Rep. Alice Hausman (DFL-St. Paul), contains nearly \$1 billion in funding for "shovel-ready" construction projects — something State Economist Tom Stinson said is likely lawmakers' best bet at creating jobs in the short-term.

A floor vote on that bill might come as early as Feb. 15. Though Pawlenty supports a bonding bill, he has called for a much smaller package of \$685 million in general obligation

**First Reading continued on page 4**

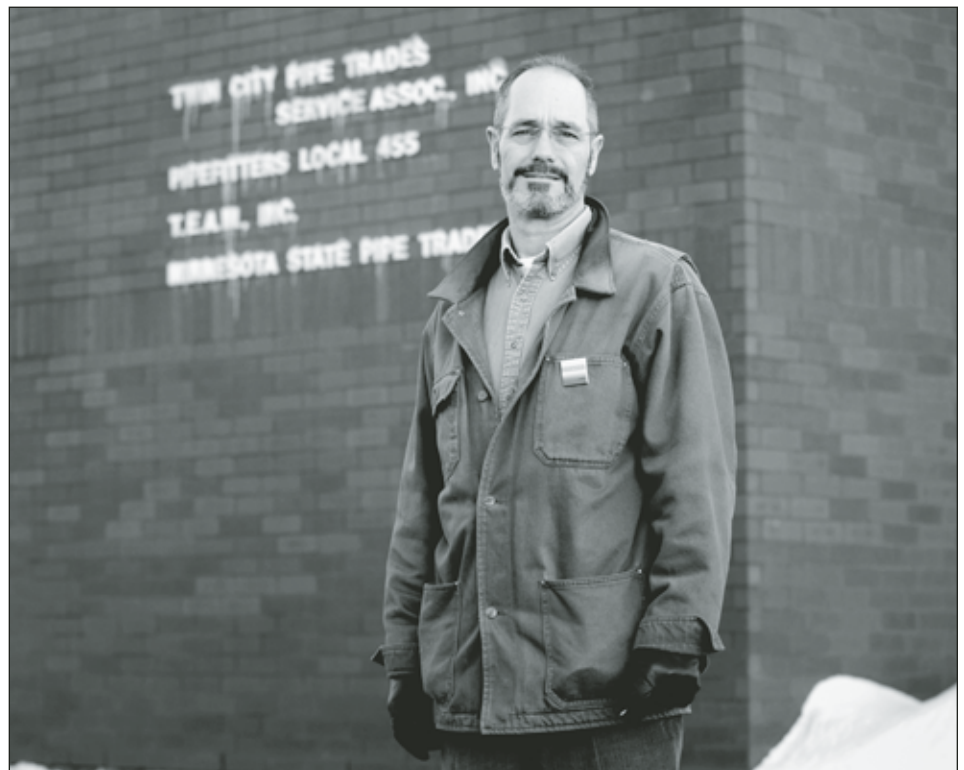


PHOTO BY TOM OLMSCHIED

**Rep. Tim Mahoney stands outside the Pipefitters Local 455 union hall in St. Paul. Mahoney, a pipefitter when the Legislature is not in session, lost his job last fall.**

bonding. He has the option to trim a bonding bill down using line-item vetoes; however, he has publicly threatened to veto the entire bill if he thinks it is too large.

Rep. Ann Lenczewski (DFL-Bloomington), House Taxes Committee chairwoman, said the tax part of the plan will likely include an angel investor credit that has bipartisan support, as well as a historic building rehabilitation credit and an expansion of tax increment financing for local development projects.

The third bill, which has yet to take shape, will be sponsored by Rep. Tom Rukavina (DFL-Virginia), chairman of the House Higher Education and Workforce Development Finance and Policy Division, and will likely include a wage subsidy program similar to one being proffered on the federal level by U.S. Sen. Al Franken. Minnesota used a similar program in the 1980s that paid employers to hire new workers, and Rukavina thinks it can work again. The problem, he said, is cost.

"I tried passing it last year, but of course last year there was no money. And there's no money this year, to be quite frank. It's hard to find money," Rukavina said.

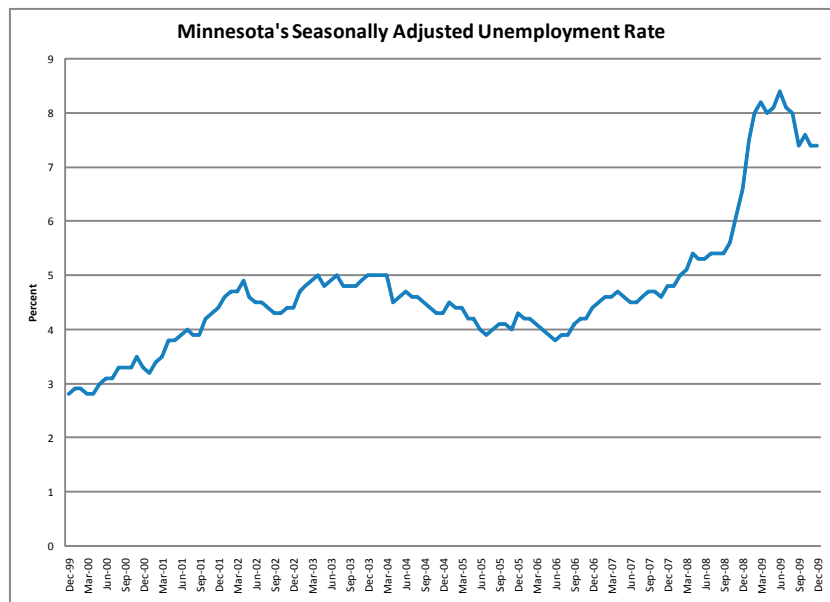
With that in mind, he's also looking at a number of other economic development reforms, such as loans for manufacturers for purchasing new equipment, converting municipal power plants to wood-burning facilities and storing state money in community banks instead of large-scale institutions.

## Opposing views

Members of the House Republican minority tried to get a head start on their own plans to grow jobs in the state. On Feb. 8, Rep. Mark Buesgens (R-Jordan) made a motion to suspend the rules so that the House could vote on a bill to eliminate Minnesota's corporate franchise tax. The motion failed 81-46.

Rep. Sarah Anderson (R-Plymouth), the House's lead Republican on workforce development, said Minnesota's tax and regulatory environment is pushing employers across the border to Wisconsin and other states in search of a more hospitable environment.

"We are an unfriendly environment to



Source: Department of Employment and Economic Development

businesses. We've had countless businesses tell us this, time and time again," she said.

While she appreciates the DFL's focus on jobs, Anderson said there needs to be a greater focus on the needs of business owners, whom she argues are the only true source of long-term job growth for the state.

"Government can't create jobs, only the private

sector can create jobs," she said. Rep. Keith Downey (R-Edina) agrees.

"We're going to hear two sets of proposals that really show the difference between the DFL strategy of a state version of a stimulus package ... versus our Republican minority packages,

which are going to focus on the private sector," he said.

For the moment, Minnesotans looking for jobs can do little else but wait. As of December, the seasonally adjusted unemployment rate stood at 7.4 percent — down from its peak of 8.4 percent in June, but still higher than at any other time since the early 1980s.

Moreover, the state's labor market appears to be headed for a sluggish recovery. At the release of the state's most recent budget forecast in December, State Economist Tom Stinson said total employment in the state may

not return to pre-recession levels for several more years, and workers' wages are declining in the meantime.

As for Mahoney, he hopes to find work after session ends, but said he may have to leave the state to find it. He hasn't had to travel to find work in 20 years, but he'll go this summer if he has to — anyplace there's a new pipeline, water treatment plant or refinery being built, he said.

"Wherever it is, if I want to work, I might have to travel there," Mahoney said adding, "That will be interesting if I'm trying to run a re-election campaign at the same time."



## At a glance: the House jobs plan

### 1. Bonding bill (HF2700)

Sponsored by Rep. Alice Hausman

- Nearly \$1 billion in capital investment funding
- Focus on "shovel-ready" construction projects
- To be passed and enacted early in session

### 2. Tax credit bill

Sponsored by Rep. Ann Lenczewski

- Tax credits for angel investing, historic rehabilitation projects
- Expanded use of TIF districts for local development
- Focus on high-tech and green jobs

### 3. Economic development bill

Sponsored by Rep. Tom Rukavina

- Wage subsidy would pay employers to hire new workers
- Revenue bonds to help manufacturers buy new equipment
- Converting municipal power plants to burn wood



**Editor's note:** The following Highlights are coverage of select bills heard in House committees and other House activities held Feb. 4-11. Designations used in Highlight summaries: HF-House File; SF-Senate File; Ch-Chapter; and \*- the bill version considered by the House or the bill language signed by the governor.

## BUDGET

### Bonding might complicate cash flow

State budget officials said the drive to get bonding projects moving quickly this year might add to the state's looming cash flow shortages.

Enactment of a bonding bill early during the legislative session could have a "debilitating effect on the state's cash flow position," said Katherine Kardell, assistant commissioner for treasury and debt management at Minnesota Management and Budget.

Kardell spoke at a joint hearing of the House Finance and the House Ways and Means committees Feb. 8. No action was taken.

She explained that the state can't sell bonds without fully disclosing its financial condition, which is hard to do during session because legislative actions can impact the state's finances.

Because the state doesn't typically sell bonds during session, she said funding new projects might require the state to borrow from the General Fund. The state is already facing cash flow shortages because of lower-than-expected tax revenues, and though the General Fund would be paid back once the bonds were sold, the short-term effect would be to exacerbate the cash flow problem, she said.

"If projects are truly ready to go at the drop-of-a-hat, then we have a situation where we need to take that money from the General Fund," she said.

Rep. Alice Hausman (DFL-St. Paul), chairwoman of the House Capital Investment Finance Division and sponsor of the House capital investment bill (HF2700), questioned whether selling bonds during session would actually be a problem. She noted that such a sale occurred last January.

"Just last year we did it — during a very difficult session, when it was very unclear where our budget was going — and it was a very successful bond sale," Hausman said.

Kardell acknowledged that the state did have a bond sale Jan. 13, 2009, but said it was an "extraordinary event."

State Economist Tom Stinson has said that spending bonding dollars as soon as possible might help stimulate the economy and create new jobs. House and Senate DFL leaders have stated that quick passage of a bonding bill is a priority for the session.

— N. BUSSE

## CONSUMERS

### A hand up from poverty

A hand up — not a handout — is the goal of an anti-poverty bill that won approval from a House division.

Rep. Morrie Lanning (R-Moorhead) sponsors HF2062, which would establish a "Ladder Out of Poverty Task Force" to help Minnesotans who are struggling economically.

Specifically, the task force would make recommendations to the Legislature on policies that would increase Minnesotans' financial literacy, ban predatory lending practices and encourage the accumulation of personal wealth. The task force would sunset on June 1, 2012.

According to Lanning, the bill is shaped by the key findings of the Legislative Commission to End Poverty in Minnesota by 2020's final report. The commission, of which Lanning was a member, studied poverty in the state for more than a year and a half before issuing its findings.

"Let's not let the commission report sit on the shelf and collect dust and have nothing come of it," Lanning said.

The bill would leverage the existing Family Assets for Independence in Minnesota program, which helps Minnesotans gain financial self-sufficiency through education and matched savings programs. FAIM is run by local community action partnerships.

Kim Shaff, FAIM program coordinator for Community Action Partnership of Ramsey and Washington Counties, said the FAIM program stresses education and one-on-one coaching to help people address their "financial barriers."

"This is where they learn how to save, address and reduce debt, understand the importance of fixing and protecting their credit, as well as becoming conscious consumers," Shaff said.

Patricia Olson, program leader for the University of Minnesota Extension, testified in favor of the bill, emphasizing the importance of financial education. She cited a national study that shows greater financial knowledge leads to better cash flow and credit management for families.

"The complexities of making financial decisions to spend beyond what you make are now the crux of what people are challenged with today," Olson said.

The House Labor and Consumer Protection Division approved the bill, which now goes to the House Commerce and Labor Committee. Sen. Michael Jungbauer (R-East Bethel) sponsors the companion, SF1770, which awaits action by the Senate State and Local Government Operations and Oversight Committee.

— N. BUSSE

## CRIME

### A felony for skimming

Going to a restaurant, grabbing a drink at Happy Hour or even getting cash at the local ATM could make people more vulnerable to identity theft.

Because technology changes, so must the criminal code.

Sponsored by Rep. Debra Hilstrom (DFL-Brooklyn Center), HF2470 would make it a felony for someone to use a scanning device or reencoder to acquire information from payment cards, a driver's license or state-issued identification card with intent to commit a crime.

"This is getting to be a very serious issue. ... We need to allow folks to prosecute for having this material," she said.

Approved Feb. 9 by the House Public Safety Policy and Oversight Committee, the bill was referred to the House Finance Committee. A companion, SF2493, sponsored by Sen. Mee Moua (DFL-St. Paul), awaits action by the Senate Judiciary Committee.

"Skimmers are devices that record credit card information off the magnetic strip on the card," said Assistant Attorney General Al Zdrazil. "What makes them particularly insidious is that they are very small. A handheld skimmer is about the size of a Bic lighter, so it is very easy for somebody who is working in the food or hospitality industry to palm one, and even while they are talking to you at the table they can simply run the strip through the skimmer and you're not even aware of it."

Another common device gets someone's information at a cash machine.

"It is designed to look exactly like the outlet of the ATM, except it's now about a quarter of an inch thicker," Zdrazil said. "If you aren't really paying attention you don't know that as you put your cash card or your credit card

into the ATM, not only is the ATM reading it, but the skimmer is also reading it.”

With the information, criminals will frequently make a new credit card. In one Minnesota instance, the skimmer used illegally made credit cards to purchase gift cards they can use.

Zdrzil said 30 other states have comparable legislation.

— M. COOK

## EDUCATION

### ‘Sprint for the Money’

It’s a rare day when conservative advocacy group EdWatch and Education Minnesota, the state teachers’ union, see eye to eye, but on Feb. 9 representatives of each organization shared similar concerns about the state’s application for federal Race to the Top funds with the House K-12 Education Policy and Oversight Committee.

Race to the Top (RTTT) is a competitive incentive grant that’s part of the American Recovery and Reinvestment Act of 2009. Minnesota is one of 40 states that has submitted an application for a share of \$4.35 billion. RTTT is intended to promote reform of poor-performing schools, recruitment and training of new teachers, and promotion of “common core” academic standards. To date, 415 school districts and charter schools have signed the application that could bring \$330 million to the state’s education coffers.

Critics of RTTT fear the loss of local control over education policy, and believe districts are so desperate for extra funds they’ll agree to proposals based on federal criteria that don’t always match up with state and local policies. One school principal dubbed Race to the Top “sprint for the money,” said Roger Aronson, who represents two statewide principals’ associations.

It’s not worth the “paltry sum of money from the federal government for what is a huge loss of state sovereignty and legislative control,” said Karen Effrem, EdWatch director of government relations.

Lawmakers should scrutinize the RTTT proposals to make sure they reflect the intent of Minnesota’s carefully crafted education law, agreed Jan Alswager, chief lobbyist at Education Minnesota, especially in the areas of teacher evaluation, licensure and professional development.

Committee Chairman Rep. Carlos Mariani (DFL-St. Paul) said he appreciates the federal “challenge” to reform schools and maintain standards, “but I’m also a very parochial, jealous state legislator who feels very strongly that Minnesota education policy should

be determined by Minnesotans, first and foremost.”

— K. BERGGREN

## EMPLOYMENT

### Unemployment insurance troubles

Confusing application forms, unfair benefits and a frustrating appeals process were some of the complaints leveled against the state’s unemployment insurance system to a House division.

In addition to taking public testimony, members of the House Higher Education and Workforce Development Finance and Policy Division also aired some of their own concerns about UI benefits Feb. 9. No action was taken.

“Our office has been getting a number of calls from all over — and I know other legislators have been getting calls,” said Rep. Tom Rukavina (DFL-Virginia), division chairman.

Paul Marfiz, a commercial painter, described a UI system that penalizes workers for taking work when they can get it. He said his benefits dropped from \$566 a week to \$377 a week because he took occasional painting jobs. Had he not worked, a federal unemployment extension would have provided him with more benefits.

“At \$377, it’s tough to make the bills. And if I work less this year, it’s going to go down even more. So my hands are tied. I don’t know what else to do,” Marfiz said.

Meanwhile, a group of flight attendants for Northwest Airlines (recently merged with Delta) on a special program that allows them

to collect UI benefits while on voluntary furloughs described some of their own problems with the system.

Laurie Gandrud, a council representative for the Association of Flight Attendants, said some flight attendants in the program were forced to go through the full UI appeals process after simple mistakes like checking a wrong box caused their applications to be denied.

“It might have been easier and less expensive if the applicants could have just corrected their mistakes,” she said.

Lee Nelson, director of legal affairs for the state’s UI program, said the amount of UI benefits received by an applicant has been determined the same way since 1936, and is defined by federal law. As to the flight attendants’ complaints, he said the appeals process is necessary because it forces applicants to prove their case with sworn testimony and documented evidence.

— N. BUSSE

## ENVIRONMENT

### LCCMR projects approved

The Legislative-Citizen Commission on Minnesota Resources receives annual funding from state lottery sales that is distributed to grantees for environmental projects. Commission recommendations form the basis of a bill after requests for proposals are vetted through hours of hearings and peer review.

HF2624, sponsored by Rep. Jean Wagenius (DFL-Mpls), would appropriate \$26 million this biennium, primarily from the lottery’s



PHOTO BY TOM OLMSCHEID

Dawn Shea, front, a Northwest Airlines cabin attendant, tells of her experience applying for unemployment during a Feb. 9 hearing of the House Higher Education and Workforce Development Finance and Policy Division. Other airline employees who testified are, background from left, Laurie Gandrud, Mike Ewald and Amy Lusty.

Environment and Natural Resources Trust Fund. The House Environment and Natural Resources Finance Division approved the bill Feb. 11 and referred it to the House Finance Committee. A companion bill, SF2462, sponsored by Sen. Ellen Anderson (DFL-St. Paul), is scheduled to be heard Feb. 16 by the Senate Environment, Energy and Natural Resources Budget Division.

Eighty-five finalists totaling \$168 million in projects vied for the trust funds. Of those, 48 projects totaling \$26 million were recommended for inclusion in the bill. They include geological studies, wetland and prairie preservation and restoration, birding publications, wildlife habitat research, land acquisition for parks, invasive species projects and environmental education programs.

Projects cross both rural and urban landscapes, as well as cultural differences. For example, \$155,000 is earmarked to advise Hmong families about fish consumption recommendations. The connection between climate change and its impact on the ecosystem would be studied through an agreement with the Will Steger Foundation and a \$250,000 grant.

Rep. Denny McNamara (R-Hastings) offered an amendment to the bill, which he later withdrew, because he feels the LCCMR should hold back a percentage of its spending authority for emergencies. He pointed to last year when funding proposals were due May 1. Just days later, the state's first emerald ash borer was discovered, leaving legislators scrambling to find emergency funding to combat the invasive species.

Wagenius said \$6 million has been requested in other bills, including \$3 million in the pending bonding bill, to combat emerald ash borer and to protect the state's black ash trees.

— S. HEGARTY

## FAMILY

### ARRA funds supporting families

Federal American Recovery and Reinvestment Act of 2009 funds are creating jobs in the early learning sector — many of them full-time, with benefits — while adding services for about 700 of Minnesota's most at-risk families. The remarks came from Gayle Kelly, Minnesota Head Start Association executive director, speaking before the House Early Childhood Finance and Policy Division Feb. 9.

Minnesota received \$26.1 million in ARRA appropriations designated for child care assistance subsidies and a sliding fee program, quality improvements such as the

Parent Aware pilot rating system and training and resources for caregivers. The money must be spent by Sept. 30, 2010. Of the total, \$15.7 million is for quality improvements and expansion of Head Start and Early Head Start programs, said Kelly, who estimated ARRA funds would generate 163 new Head Start jobs. Three tribal Head Start programs have received funding apart from the state appropriation.

Beyond the numbers are vulnerable children and struggling parents.

Kraig Gratke described the fund's impact on programs he runs as Early Head Start manager with Tri-County Community Action, which serves Morrison, Todd and Crow Wing counties.

Of the young parents Gratke's agency serves, 85 percent experience postpartum or prenatal depression, 70 percent "have drug use of some type," 50 percent have been sexually assaulted and 50 percent are technically homeless, he said.

"What we're seeing in our families with our children coming out of these homes, there's a lot of attachment and bonding issues," Gratke said. "There's a lot of people yelling. There's a lot of negative stuff going on in these environments."

With ARRA grants, Tri-County's Early Head Start will add 64 new spaces to the 130 that exist, and 19 new teachers will serve babies and parents with child care including two new centers, home visits nearly once a week and parent support groups, including one for teenage fathers.

"Here at the Legislature, we don't always get a slice of reality, and that was one of them," said Rep. Nora Slawik (DFL-Maplewood), chairwoman of the House Early Childhood Finance and Policy Division.

— K. BERGGREN

## HEALTH

### COBRA subsidy extension approved

Lawmakers are considering extending a state subsidy program that helps some unemployed workers keep their health care coverage.

The subsidy helps laid-off workers pay private health care premiums for federal COBRA coverage, thereby keeping them off state programs, said Rep. Paul Thissen (DFL-Mpls). He sponsors HF2562, which would update Minnesota law to reflect COBRA changes enacted by Congress late last year.

Approved Feb. 9 by the House Health Care and Human Services Policy and Oversight Committee, the bill now awaits action by the House Health Care and Human Services

Finance Division

The federal legislation extends a 65 percent premium subsidy to eligible workers who lose their jobs before Feb. 28, 2010. It also extends the time period that workers can receive the subsidy to 15 months.

Thissen would like Minnesota to make similar changes to the 35 percent premium subsidy it offers some residents with COBRA coverage. His bill would extend the availability of the state subsidy through May 2011 and allow funds appropriated in fiscal year 2010 to carry over into fiscal year 2011.

For laid-off workers, the loss of health care coverage can be worse than the loss of income, said Mike Goldman, labor liaison to the Minnesota Dislocated Worker Program. These workers and their families face the challenge of paying for health care on top of other expenses like mortgage payments and putting food on the table, he said.

"The loss of the state subsidy is going to be a crucial breaking point for many families," he said.

The Department of Human Services has approved approximately 1,700 Minnesota households for the state premium subsidy. Goldman said it is a resource available to some unemployed workers, but not to all.

A companion bill, HF2335, sponsored by Sen. Linda Berglin (DFL-Mpls), awaits action by the Senate Health and Human Services Budget Division.

— L. RADOMSKI

## HOUSING

### Foreclosure moratorium gets OK

A two-year moratorium on residential foreclosures could give struggling homeowners a better shot at keeping their property.

Rep. Jeff Hayden (DFL-Mpls) sponsors HF2604, which would allow people facing foreclosure to stay in their homes as they attempt to negotiate with lenders. Hayden said the legislation is targeted at Minnesotans hit hard by the subprime loan crisis.

"Now, because of that process and the continuing destabilization of the economy, people are now losing their jobs and are unable to make the payments," he said.

Another part of the bill offers protection to renters living in a building under foreclosure. Landlords would need to inform renters of continued utility services and new owners would need to offer fair market rent to existing tenants.

Hayden's bill is unpopular with some banks and other financial institutions that see the legislation as interfering with private contracts between lenders and borrowers. There's



also a concern that efforts to underwrite outstanding loans would dry up credit.

That could be especially harmful to small, family-owned banks that already work closely with borrowers, said David Skilbred, vice president of government relations for Independent Community Bankers of Minnesota.

"They are available to their customers in all situations and foreclosure is an absolute last resort in any time, but especially in these times," he said.

The House Housing Finance and Policy and Public Health Finance Division approved the bill Feb. 9 and sent it to the House Commerce and Labor Committee. Some members said they believed the group did not have adequate time to discuss the legislation, and an amendment to forward the bill without a recommendation was approved by a 7-5 roll-call vote.

Hayden pledged to work with those in the banking and real estate industries as the bill moves forward.

"This bill has a long ways to go yet. ... There is still a lot of room for negotiation," he said.

A companion, SF2242, sponsored by Sen. D. Scott Dibble (DFL-Mpls), awaits action by the Senate Health, Housing and Family Security Committee.

— L. RADOMSKI

## LAW

### Eminent domain law under review

Portions of a 2006 law that gives public service corporations, including utilities, the ability to take private property through a "quick take" process could be repealed.

The House Energy Finance and Policy Division heard testimony Feb. 8 for HF1182, sponsored by Rep. David Bly (DFL-Northfield). The bill was laid over so members could digest last-minute amendments. Action is expected at the division's Feb. 15 meeting. A companion bill, SF1112, sponsored by Sen. Kevin Dahle (DFL-Northfield), awaits action by the Senate Energy, Utilities, Technology and Communications Committee.

The bill would strike language that exempts public service corporations from several eminent domain policies, such as paying for appraisals and attorney fees.

Property owners began raising concerns when they learned that they could be affected by the proposed installation of either a high-voltage electrical transmission line or an underground crude oil pipeline. Complaints include lower than expected purchase settlements and the lack of reimbursement for ongoing personal and professional losses

due to the condemnations.

Phillip Krass represents several property owners who are at risk of the quick take provision. Of the 1,100 property owners involved in the Flint Hills Resources pipeline project, 850 agreed to an early settlement while 250 went through the process of hearings and negotiations. Those who reached a settlement or a court-awarded amount received between 26 percent and 1,133 percent more than the initial quick take offers, Krass said.

Real estate appraiser John Schmick said the \$1,500 to \$3,000 reimbursement written into law is too low to cover actual appraisal costs. One homeowner complained that he had to wait three years to be reimbursed.

Craig Johnson, intergovernmental relations representative for the League of Minnesota Cities, said a repeal could have unintended consequences and dramatically affect the viability of utility improvement projects by driving up costs, ultimately resulting in higher rates for all.

— S. HEGARTY

## LOCAL GOVERNMENT

### Update sought of 1941 use deed law

A nearly 70-year-old state law concerning tax-forfeited property needs a facelift.

The proposed use deed reform law, HF1395, sponsored by Rep. Joe Mullery (DFL-Mpls), would update a statute first enacted in 1941 and clarify how such land should be sold or transferred to cities or counties for public use.

The issue has been "troubling us for a number of years," said Jason Nord, the Department of Revenue program administrator who oversees deed issuance and compliance with the law.

"There are all types of tax-forfeited land parcels, anything from small sliver parcels that are hardly worth anything to very valuable lands in very prominent locations," Nord spoke at a Feb. 8 joint hearing of the House Civil Justice Committee and the House Local Government Division. No action was taken.

The law contains a tricky reverter clause allowing land parcels found to be out of compliance with the terms of a public use deed after three years to be conveyed back to the state for sale or other use. Because the terms "public use," "public purpose" and "park" are vague, disputes over compliance have resulted in lawsuits. Because there is an option to withhold a parcel from sale that may be continually renewed, land that could otherwise be sold may be held in limbo for years.

Nord said the department hopes to uphold

the law's original intent to allow local units of government to create and preserve places of public enjoyment, and that providing such spaces was a public benefit offsetting lost receipts from selling the land at market value.

The bill would clarify conveyance procedures, define more clearly what is meant by "public use," "public purpose" and "parks," and provide options for local governments to move tax-forfeited properties into appropriate use, including market-rate development, wetland preservation, correction of blight and development of affordable housing. It would create a 30-year expiration on the reverter, but not until after 2015 in order to allow for possible compliance reviews of older deeds.

A companion bill, SF1126, sponsored by Sen. Mee Moua (DFL-St. Paul), awaits action by the Senate Judiciary Committee.

— K. BERGGREN

## TAXES

### Tax relief for Haitian help

People donating financially to organizations providing earthquake relief in Haiti can choose to claim the charitable contribution on their 2009 itemized federal tax return, rather than the 2010 return.

HF2763, sponsored by Rep. Ann Lenczewski (DFL-Bloomington), would allow the same accelerated deduction on the state return.

Approved Feb. 8 by the House Taxes Committee, the bill now moves to the House Ways and Means Committee. A companion, SF2352, sponsored by Sen. Tom Bakk (DFL-Cook), awaits action by the Senate Taxes Committee.

The federal special tax relief provision was enacted Jan. 22, to make deductible monetary contributions to qualifying charitable organizations that are assisting with relief efforts in Haiti following the Jan. 12 earthquake.

Only cash contributions made to qualifying charities between Jan. 12, 2010, and Feb. 28, 2010, are eligible for the federal deduction, according to Internal Revenue Service regulations. This includes contributions made by text message, check, credit card or debit card. On its Web site, the IRS provides a database of qualifying charities. Some organizations, such as churches or government agencies, may qualify but are not yet listed on the site.

— L. SCHUTZ

If you have Internet access, visit the Legislature's Web page at: [www.leg.mn](http://www.leg.mn)

## VETERANS MESSAGE



PHOTO BY TOM OLMSCHIED

**Paul Sample, center, a U.S. Army veteran and a member of the Disabled American Veterans, Chapter 18, in Carlton County, wears his message on his shirt, "We Fought For Your Rights, Now You Fight For Ours." He listens to legislator introductions during Veterans Day on the Hill, Feb. 9.**

## TRANSPORTATION

### Bicyclists could proceed on red

A 2003 law omission could be rectified much to the delight of those who prefer pedal power.

Sponsored by Rep. Phyllis Kahn (DFL-Mpls), HF2616 would allow a bicyclist to enter or cross an intersection against a red light under certain conditions, including the light showing red for an unreasonable amount of time; the bicyclist is unable to trigger the signal to change to green and no other vehicle or person is approaching that could pose a hazard.

"This just gives bicycles the same things that motorcycles have had for the last seven years," Kahn said.

Approved Feb. 9 by the House Public Safety Policy and Oversight Committee, the bill heads to the House floor. A companion, SF2453, sponsored by Sen. Jim Carlson (DFL-Eagan), awaits action by the Senate Transportation Committee.

Kahn said bicycles were included in a 2003 House bill allowing this provision for motorcyclists, but a conference committee removed the bicycle language.

"We emphasize following traffic regulations and stopping at stop signs," said Dorian Grilley, executive director of the Bicycle Alliance of Minnesota. "To that end, we've identified this problem that well-educated cyclists following the rules of the road often encounter, and, like motorcycles, we are often in a situation where we are unable to trip a traffic signal to turn from red to green."

Without the change, Grilley said the possibility exists of bicyclists clogging intersections and inconveniencing other drivers behind them.

Many times while in a left-turn lane, Grilley said he has moved his bicycle into a crosswalk so a vehicle behind him could come up closer and trip the signal sensor so they could both turn on a green arrow.

"There will be more and more experienced bicyclists — if we have our way — that follow the rules of the road and use turn lanes and

signalized intersections. Making this simple change would improve conditions for all vehicle drivers."

— M. Cook

### Frequently called numbers

Area code 651

#### House Public Information Services

175 State Office Building ..... 296-2146

#### Meeting Hotline, House

175 State Office Building ..... 296-9283

#### Chief Clerk of the House

211 Capitol ..... 296-2314

#### House Index

211 Capitol ..... 296-6646

#### Senate Information

231 Capitol ..... 296-0504

#### Secretary of the Senate

231 Capitol ..... 296-2344

Voice mail/order bills ..... 296-2343

#### Senate Index

110 Capitol ..... 296-2887

#### Meeting Hotline, Senate

231 Capitol ..... 296-8088

To find out who represents you at the Capitol ...

Call House Public Information Services  
at 651-296-2146 or 800-657-3550

# Cash flow conundrum

Projected cash shortages will require delicate balancing act

By Nick Busse

**C**ash flow, an issue typically left in the hands of Minnesota Management and Budget, has emerged as a topic of concern for the Legislature this year. Lower-than-expected tax receipts caused by the recession have dried up the state's cash reserves, forcing state budget officials to get creative to avoid a shortfall.

Over the last two years, MMB officials have been moving money around between different state accounts, using what's called "inter-fund borrowing" to keep the state budget afloat. Now, they're preparing to use more dramatic methods, delaying payments to school districts or even borrowing money from banks in order to keep paying the state's bills.

State Budget Director James Schowalter said the issue of cash flow is separate from — but related to — the state's biennial budget problems.

"Right now, what we're talking about is, on a day-to-day basis, do we have the cash in the bank?" he said.

Schowalter discussed the problem at a joint meeting of the House Finance and Ways and Means committees Feb. 8. He said a deal with even if lawmakers reach Gov. Tim Pawlenty current biennium's billion budget the state will face cash

flow shortages beginning this spring, and probably again in the fall.

Schowalter said MMB is preparing a number of possible solutions to the problem, and is closely monitoring the daily ebb and flow of money in state accounts. Still, he said the state's cash flow isn't always fully predictable.

"We're trying to deal with a number of different risks and make sure that the Legislature, the governor and the state generally have options, no matter what comes," Schowalter said.

## A growing problem

For those who've never heard the term "cash flow," here's how it works.

Every two years, lawmakers enact a biennial state budget. The state constitution requires that the budget be balanced, meaning that spending is less than or equal to tax revenues.

However, expenditures and revenues aren't always timed conveniently; some months, the state has big bills to pay but not much revenue coming in, while other times the opposite is true. The term "cash flow" simply refers to the movement of money into and out of state accounts to cover the state's day-to-day expenditures.

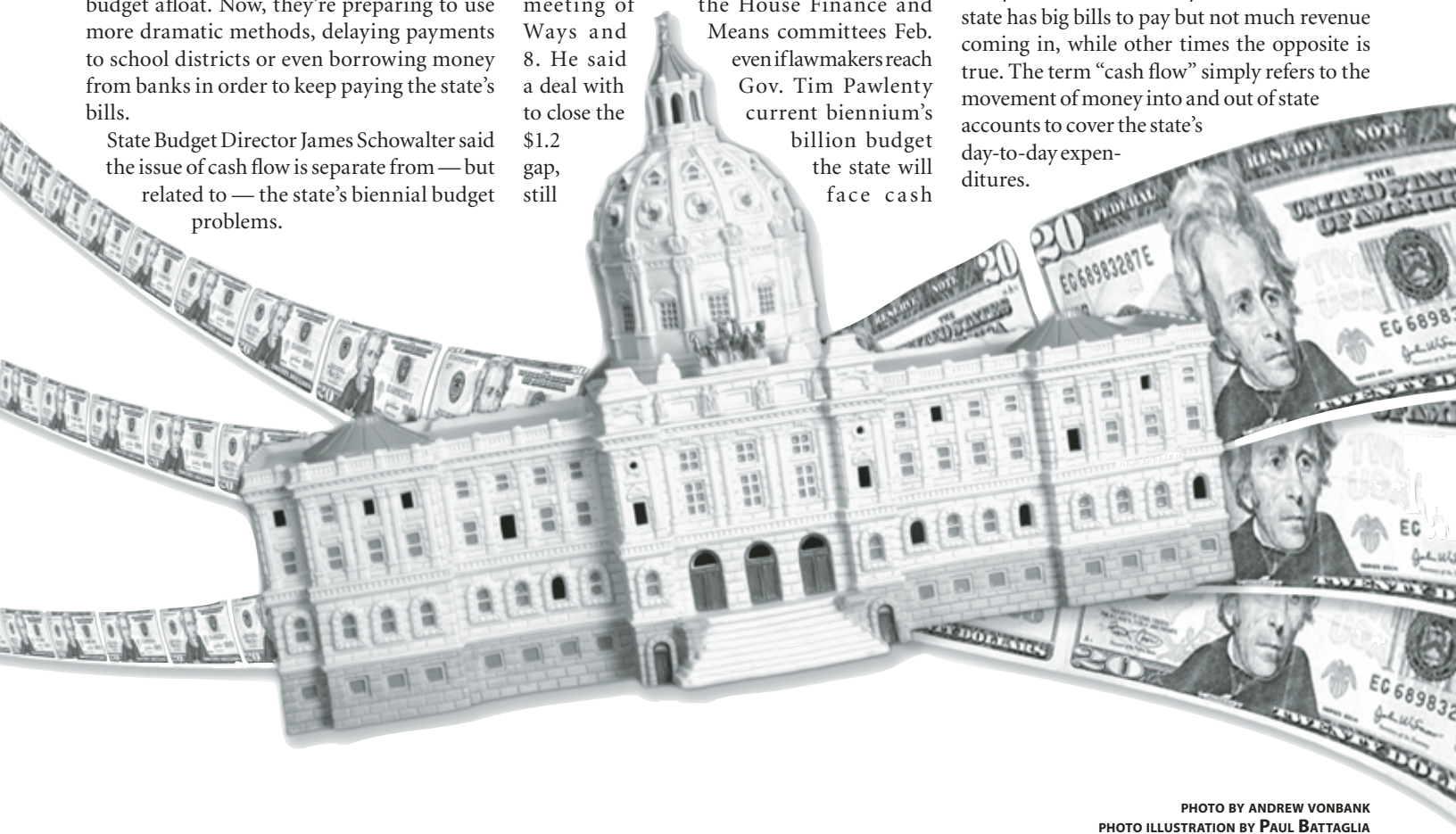


PHOTO BY ANDREW VONBANK  
PHOTO ILLUSTRATION BY PAUL BATTAGLIA



Cash flow shortages in the state's General Fund can occur even when the budget is technically balanced. When that happens, MMB can transfer money into the General Fund from other state accounts and pay it back later.

"That is not an unusual situation — though it is unusual the extent to which the commissioner is using it now," Schowalter said.

The problem is that this year, the projected cash flow shortages are so large that inter-fund borrowing (to the tune of \$945 million already in this fiscal year) won't be enough to manage it.

As of April, the state's General Fund is projected to be \$143 million in the negative — far less than the \$400 million cushion MMB says is needed at any given time. To deal with the problem, MMB plans to delay a number of payments in March and April: \$423 million to K-12 school districts; \$52 million to the University of Minnesota; and about \$60 million in corporate and sales tax refunds.

Under the plan, the delayed payments would be fully reinstated by June, after income tax receipts refill state coffers. Additionally, school districts with cash reserves of less than \$700 per pupil would not see any payment delays. Still, many lawmakers are critical of the idea.

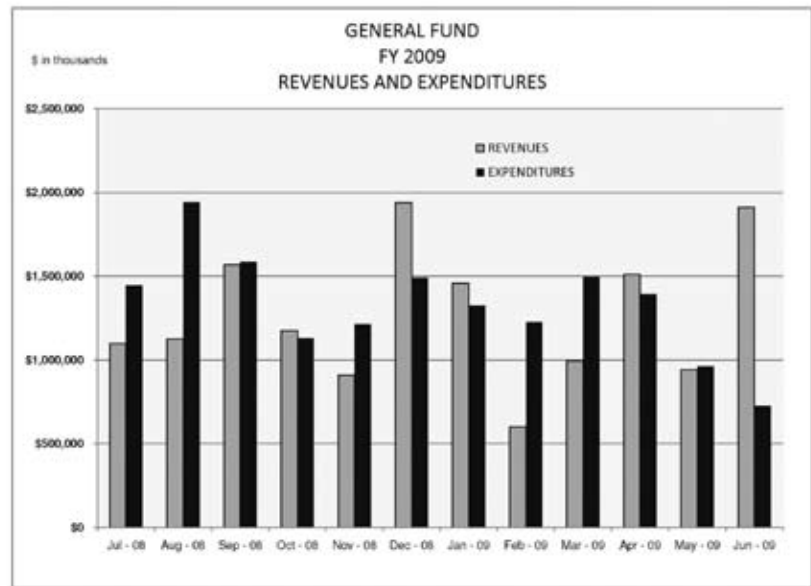
"It's not just robbing from schools; it's slapping them in the face for being fiscally responsible," Rep. Mindy Greiling (DFL-Roseville), chairwoman of the House K-12 Education Finance Division, said at a Jan. 13 joint legislative hearing.

### The last resort

Schowalter and other MMB officials say there's not much of a choice, however. In fact, state law requires that school districts' cash balances be drawn down even more — all the way to \$350 per pupil — before the state can move on to its next option: borrowing.

If Minnesota has to borrow money to pay its bills later this year, it won't be the first time. During the last major economic crisis in the early 1980s, the state resorted to short-term borrowing several times: \$150 million in 1981, \$360 million in 1982, \$950 million in 1983 and \$200 million in 1984.

Katherine Kardell, MMB's assistant commissioner for treasury and debt management, said the state



Source: "Cash Flow Report," Jan. 2010, Minnesota Management and Budget

is preparing to borrow up to \$600 million to cover possible cash shortages in the fiscal year beginning July 1, 2010.

This borrowing would likely take the form of either a line of credit or "certificates of indebtedness" — basically short-term loans to the state. MMB recently sent out a request for proposals from any interested financial institutions, and responses are due Feb. 18.

Any money the state borrows would have to be paid back by the end of the biennium, and would be backed by the full faith and credit of the state — essentially, a promise to levy a statewide property tax in case the state doesn't have the money to repay the loans.

That notion leaves some legislators feeling uncomfortable.

Rep. Lyndon Carlson (DFL-Crystal), Finance Committee chairman, asked Schowalter whether the state might not be creating a problem for the next governor. He noted that Pawlenty will be leaving office before the principal on the loans would be due.

"What would happen if there wasn't enough cash in the bank at the end of the biennium to make that payment?" he asked.

"I am fairly confident that we've got a plan to start to manage those risks," Schowalter replied.

### General Fund borrowing from other state funds

Fiscal Year	Amount Borrowed
(\$ in millions)	
2001	0
2002	0
2003	850
2004	200
2005	525
2006	400
2007	0
2008	125
2009	950
2010 YTD	945

Source: Minnesota Management and Budget

# A nearly billion-dollar battle?

Bonding bill set for floor vote; governor issues another warning

By MIKE COOK

**T**he anticipated late-February capital investment bill showdown between the Legislature and Gov. Tim Pawlenty is still on track.

Approved Feb. 11 by the House Ways and Means Committee, HF2700 is expected to be on the House floor Feb. 15.

Sponsored by Rep. Alice Hausman (DFL-St. Paul), the bill calls for \$999.8 million in general obligation bonding.

"This bill is one bright spot in a gloomy economy, one little thing we can take advantage of. Interest rates are low and construction bids are coming in one-third or more lower than projected, meaning the taxpayer dollar can go much further this month if we don't delay," Hausman told the House Capital Investment Finance Division Feb. 9. She added that much of the money triggers federal, local and private matches.

A companion, SF2360, sponsored by Sen. Keith Langseth (DFL-Glyndon), was passed 52-14 by the Senate Feb. 9. It calls for \$999.96 million in general obligation bonding.

However, both are about \$314 million more than proposed by Gov. Tim Pawlenty, who, on numerous occasions, has reiterated his preference for a smaller bill in tough economic times.

In a Feb. 9 letter to Hausman and Langseth, Pawlenty called the House and Senate bills "unaffordable, irresponsible, and filled with local projects," and again threatened to veto the entire package, rather than line-item veto projects he does not support.

"Minnesota Management and Budget calculated a debt planning estimate of approximately \$725 million in general obligation bonding capacity for the 2010 bonding bill," Pawlenty wrote. "In light of the state's structural deficit, this additional fiscal burden is clearly unwise."

Supporters note the bill is well within new

debt service guidelines set forth by MMB.

Nonetheless, Rep. Mark Buesgens (R-Jordan), at the Feb. 10 House Finance Committee meeting, encouraged Hausman to involve the governor's office as the bill moves forward to create a bill that can be signed. He also said legislators' priorities are misplaced, saying the state should solve its anticipated \$1.2 billion biennial budget deficit before "we take out our credit card."

Another potentially problematic issue is that neither bill includes \$89 million to expand the sex offender treatment facility at Moose Lake, something the governor wants.

In addition to the "daunting amount," Hausman said other options are being discussed, such as using other facilities that are currently empty. "Are there more cost-effective ways to deal with this certainly overcrowding situation? (This is) not opposition, but hoping that there might be other answers on the horizon."

## A historical perspective

As she began her presentation to the House Capital Investment Finance Division, Hausman, a former teacher and one-time history major, provided a look back.

"In the panic of 1857, even before we were

a state, Minnesota's economy tanked. The credit market was frozen and there was no available capital to speak of," she said. "The state's leaders knew that getting railroad construction on track in Minnesota was critical to needed economic development to help move the state out of the throes of the worst economic depression of the 19th century. When the first Legislature convened in December of 1857, it immediately passed legislation authorizing the state to let bonds for railroad construction.

"I think it sets the context that in times of serious economic circumstances since Minnesota became a state, smart bonding initiatives have been the driver of economic development initiatives that have made our state what it is today. Now, more than ever, we should follow through on that tradition, and build the infrastructure necessary

to make our state competitive in the future," she said.

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***"Our problem is huge, and this bill is a good, positive step in the right direction, but there is this issue that the \$26.5 million is going to be well short of taking care of a lot of important, needed projects."***

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— Rep. Morrie Lanning  
(R-Moorhead)

On the flood mitigation money in the bill

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## Who gets a slice?

As is tradition, higher education is proposed to get the largest slice of the pie. The House bill contains \$322.7 million, including \$100 million in asset preservation.

"When you invest in higher education ... we are providing the facilities that are going to train the workforce of the future," Hausman said, noting many institutions are feeling the crunch of more people going back to school in current economic times.

The bill has money for 25 academic renovation or construction projects within the Minnesota State Colleges and Universities system, including \$26.9 million for a bioscience and health careers center addition at North Hennepin Community College, \$5.67 million for a science lab renovation at Southwest Min-



PHOTO BY TOM OLMSCHIED

**The House bonding bill contains \$32.5 million for zoo improvements and expansions: \$21 million for the Minnesota Zoo, \$11 million for exhibit renewal at the Como Zoo and \$500,000 for the Lake Superior Zoo. The Senate bill has just \$21 million for the Minnesota Zoo.**

nesota State University and \$5.5 million for a shop space addition for mechanical technology and carpentry programs at NHED Mesabi Range Community and Technical College in Eveleth.

The bill seeks \$20 million to renovate 103-year-old Folwell Hall on the University of Minnesota's Minneapolis campus, but nothing for a physics and nanotechnology building. Pawlenty wants \$53.3 million for this. The Senate bill has \$5 million in planning money.

Hausman doesn't believe anyone is opposed to the physics and nanotechnology building, but noted that the university ranked Folwell Hall higher on its priority list.

Another large — and potentially timely — chunk is \$50 million for flood hazard mitigation and prevention, but it may not be enough. Pawlenty's proposal is also at the \$50 million level; the Senate \$70 million.

The House bill has \$26.5 million divvied up between 13 projects across the state,

and \$23.5 million for four Red River Basin impoundment projects.

Rep. Morrie Lanning (R-Moorhead) said the impoundment project funding will cover all requests submitted from his area,

but only one project has a direct impact on flooding level in Moorhead and surrounding areas.

"That leaves \$26.5 million for all the other flood mitigation requests that there is. There is \$109 million of requests. Just to have the money necessary to match the federal requirements on

four of the projects would require the state to come up with \$25 million." He said that would leave 22 communities to fight for what little is left.

"Our problem is huge, and this bill is a good, positive step in the right direction, but there is this issue that the \$26.5 million is going to be well short of taking care of a lot of important, needed projects," Lanning said.

Forecasters recently warned that the Red River Valley is ripe for more severe flooding

this spring after a wet fall and a snow total equal to last year.

Zoos fare well in the House bill, to the tune of \$32.5 million. Only the Minnesota Zoo is in the Senate and governor proposals.

The Minnesota Zoo would receive \$21 million for its master plan implementation and asset preservation, Como Zoo would receive \$11 million for improvements and the Lake Superior Zoo would get \$500,000 to help with asset preservation and exhibit renewal needed to achieve accreditation.

"I don't think any other portion of the bill involves quite so many visitors," Hausman said. "When you add those up, probably 4 million people go to these sites every year. It's a huge addition to the livability and education in our state."

Other highlights of the House bill are:

- \$158 million for transportation and transit, including \$67 million for local bridges;
- \$126.6 million in employment and economic development, including \$57 million for civic centers in Mankato, Rochester and St. Cloud;
- \$60 million for clean water and wastewater infrastructure;
- \$50 million for a transit capital improvement program; and
- \$21 million for state trail acquisition and development. 🐼

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***"This bill is one bright spot in a gloomy economy, one little thing we can take advantage of. Interest rates are low and construction bids are coming in one-third or more lower than projected, meaning the taxpayer dollar can go much further this month if we don't delay."***

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— Rep. Alice Hausman (DFL-St. Paul)  
On the size of the bonding bill



# Safe Drug Disposal Act

Leftover drugs find their way to fish and teens

By SUE HEGARTY

**L**eftover pills stowed in medicine cabinets and under bathroom sinks are an accident waiting to happen and a target for thieves or experimenting teens.

But getting rid of this stash can be a problem. According to state and federal drug recommendations, most state health care facilities are required to flush medicines after a patient or resident is discharged or dies. But environmentalists fear drugs entering our sewage system are contributing to deformities in fish.

"Our wastewater treatment system is not completely breaking down those compounds," said Rep. Paul Gardner (DFL-Shoreview), who sponsors HF1217, known as the "Minnesota Safe Drug Disposal Act of 2010."

"We think the concept of minimizing medications in the sewer systems and in the landfills is a good and laudable goal. We just don't want to be caught in the middle of conflicting regulations," said Doug Beardsley, vice-president of member services for Care Providers.

Hoping to rectify these issues, HF1217 seeks to reduce waste when medications are prescribed and to safely destroy any that are left over. The House Environment Policy and Oversight Committee approved the bill Feb. 9 and referred it to the House Health Care and Human Services Finance Division. An amendment to remove veterinary medications was offered by Rep. Al Juhnke (DFL-Willmar) and approved. Companion file, SF1568, sponsored by Sen. John Doll (DFL-Burnsville) awaits action by the Senate Environment and Natural Resources Committee.

## To flush or not to flush

Bill supporters link pharmaceuticals in wastewater to possible reasons why male fish

in Minnesota lakes and rivers are exhibiting female sex characteristics, a problem known as endocrine disruption. Improving wastewater filtering systems would cost millions more than the projected \$1 million to operate the product stewardship program, Gardner said.

Pharmaceutical representatives debunked the argument that eliminating excess medications from the wastewater stream would significantly impact water quality. Drugs in wastewater are primarily what people taking the drugs excrete naturally.

"Perhaps 95 percent is through the regular taking of medicine to keep us and our livestock healthy. So when you think that perhaps you will be affecting somewhere between five and 10 percent ... you are going to have an extremely marginal, and perhaps meaningless impact on the situation," said Patrick Moore of Greenspirit Strategies and an advisor to Pharmaceutical Research and Manufacturers of America, known as PhRMA.

Drug companies don't deny there are endocrine disruptors in water, but peer review articles report other culprits, such as sunscreens, fertilizers and DEET, an oil used in insect repellants, said Marjorie Powell, senior assistant general counsel for PhRMA, a consortium of 48 member drug companies.

PhRMA, the U.S. Fish & Wildlife Service and the American Pharmacists Association organized a

"SMARxT" disposal education campaign that recommends putting drugs into a sealable bag and mixing them with kitty litter, sawdust or coffee grounds so they're less appealing to animals or children.

"Right now we see that as the preferable method," said Tim Scherkenbach, deputy commissioner of the Minnesota Pollution Control Agency. The issue boils down to two questions: what are acceptable amounts of contaminants and how does one find the source so the agency can allocate responsibility, Scherkenbach said.

Pharmaceutical companies that would foot the bill for the disposal programs oppose the bill. Drug producers or their collective organizations would be required to pay all administrative and operational costs associated with collecting, transporting

and disposing of the drugs and would be prohibited from charging a fee to cover their costs, either at the purchase counter or at the time of collection.

State-of-the-art dispensing machines potentially could save millions of Medicare and Medicaid

spending through more efficient dispensing methods. Local governments could voluntarily have community-wide collections, such as a pilot project conducted in Chisago County last year.

The county's solid waste administrator Lisa Thibodeau explained that through the program, 1,400 pounds of drugs were collected at a cost of \$5,000 to Chisago County taxpayers. She said drugs must be destroyed at a licensed hazardous waste facility, with the closest being in Illinois. Although Minnesota has several incinerators, they are not licensed to handle controlled substances.

Rep. Denny McNamara (R-Hastings) said state bureaucracy would be less effective and more costly than leaving it up to local government. "It seemed to me in Chisago County it's working," he said.

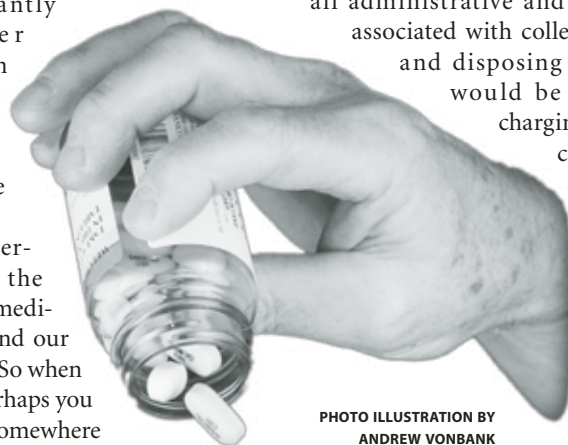


PHOTO ILLUSTRATION BY  
ANDREW VONBANK

Environment continued on page 22

# State primary could move to August

Federal law forcing states to change their dates

BY PATTY OSTBERG

**M**ore Minnesotans would have a chance to vote through use of absentee ballots if the state's traditional September primary date moves to the second Tuesday in August to meet a federal mandate.

Passed in October 2009, the federal Military and Overseas Voter Empowerment Act requires at least a 45-day period for absentee ballots to be returned and counted for primaries and elections. Previous law was 30 days.

Rep. Steve Simon (DFL-St. Louis Park) sponsors HF2552 that would conform Minnesota's elections to the federal mandate. "It's been said that in every recount in Minnesota there are basically two stacks of discarded ballots: one is the people who just did it wrong, and one are the overseas people who didn't get their ballots back in time ... This is finally the fix that we need," he said.

Approved by the House State and Local Government Operations Reform, Technology and Elections Committee Feb. 9, the bill awaits action on the House floor. A Senate companion, SF2251, sponsored by Sen. Terri Bonoff (DFL-Minnetonka), awaits action by the full Senate.

In 2008, almost 400,000 military and overseas absentee voters failed to have their ballots counted, said Bob Carey, director of the Federal Voting Assistance Program. "That's because there is just not enough time," he said. Those voters "experience much more difficulty than the average voter in exercising their right to vote."

Bloomington City Clerk Thomas Ferber said, "It breaks our hearts when we get absentee ballots coming in after an election, particularly if it's from the military and overseas voters who have made the effort to get the ballot there, but because of timing the ballot arrives after Election Day."

The bill was successfully amended by Rep. Mary Kiffmeyer (R-Big Lake) to remove administrative election changes she considered unnecessary for federal conformity. In general, the former secretary of state supports the primary date change, but asked, "Why

is it necessary to make these changes in this particular bill ... one of the focuses is conformity to the federal law, not turning it into a great big administration bill that we kind of throw extras in."

Simon responded that the bill should be tailored as narrow as possible, "but there's some dates, date changes and other things that seem to follow naturally. Are they compelled by federal law? No." For example, he noted that under current law campaign lawn signs can be put up beginning Aug. 1. The bill would change that to 46 days before the state primary, or before the Fourth of July.


Beth Fraser, director of governmental affairs for the Office of the Secretary of State, said while some of the portions of the bill are not directly related to the federal mandate, the changes included make the bill "workable."

Simon emphasized the need to pass the legislation quickly so local election officials have time to implement the changes for the 2010 election cycle. Upon passage, changes would happen as soon as March.

The month of June was also considered for the primary, but Greater Minnesota legislators said it wouldn't give them enough time to face potential challengers, said Simon. Being that the legislative session typically lasts until the third week in May, current legislators said it wouldn't give them enough time to return to their districts and campaign.

Simon said the success of an August primary will fall on local cities and election officials letting people know of the change because August is typically when Minnesotans head to their cabins or vacation away.

Only Hawaii currently has a later primary date than Minnesota. Ten states and the District of Columbia will also have to change primary dates to meet the new law.

Citing not enough bipartisan support, Gov. Tim Pawlenty vetoed a similar measure last year that was included in a larger elections package. He has indicated that he supports the date change; however, he would like to see a clean bill on the proposal. 

## A chain reaction

Moving the Primary from Sept. 14 to Aug. 10

	Current Law	Proposed
Filing period	July 6-20	May 18-June 1
Campaign signs allowed	Aug. 1	June 26
Absentee balloting for primary	Aug. 13-Sept. 13	June 25-Aug. 9
State Primary	Sept. 14	Aug. 10
Absentee balloting for general election	Oct. 1-Nov. 1	Sept. 17-Nov. 1
General Election	Nov. 2	Nov. 2

# Future of GAMC uncertain

Legislators consider health care for state's poor, sick

By LAUREN RADOMSKI

**M**innesota lawmakers are pushing for the quick passage of health care legislation targeted at the state's poorest, sickest residents.

General Assistance Medical Care (GAMC) is a state-funded program that pays for certain health care services for low-income Minnesotans, many of whom are single adults. Funding for the program is scheduled to run out by the end of March, the result of a line-item veto and unallotment by Gov. Tim Pawlenty last year. That's prompted legislators to take quick action early in the session, with the chance a proposal to continue GAMC could be on the House floor by next week.

Sponsored by Rep. Erin Murphy (DFL-St. Paul), HF2680 would create a scaled-back, temporary GAMC program effective March 1, 2010, through June 30, 2011. To pay for the program, grants to counties for adult mental health and children's services would be reduced. Hospitals would be reimbursed

less for the GAMC patients that they treat, and increases in surcharges on hospitals and HMOs would capture additional federal Medicaid dollars.

Murphy described the legislation as a collaborative effort that is still a work in progress.

"I remain open to everyone's ideas and I really am confident in our ability to solve this problem this session," she told the House Health Care and Human Services Policy and Oversight Committee Feb. 4.

Murphy said the bill would serve as a temporary fix to the GAMC problem, giving legislators more time to discuss major reform. She estimates the legislation would reduce the state deficit by \$160 million.

## Mixed reaction

So far the bill has been met with mixed reactions. Supporters of the temporary program say the loss of GAMC would mean major funding cuts to hospitals, which would be forced to shift costs to patients or reduce services.

"GAMC funding impacts everyone in the state, not just the poor," said St. Paul Fire Chief Tim Butler, "because the services that will be cut will impact all aspects of hospital operations and those operations serve all residents regardless of economic status."

The projected financial impact of the bill varies from hospital to hospital — and those estimates are rough at best. Large hospitals forced to make substantial contributions toward the temporary GAMC program would also see some funding increases. Rural hospitals receiving increased funding for certain groups of patients could take other cuts especially hard if their facilities are not part of a major health system.

Meanwhile, counties are stuck between a rock and a hard place. A temporary GAMC program is better than no program at all, said Patricia Coldwell, policy analyst with the Association of Minnesota Counties, but the bill comes at a cost to another vulnerable group: children.

"Is it better to assure that very low-income, chemically-dependent and mentally ill people continue to get health care, or to assure that children are safe from abuse and neglect?" Coldwell asked. "... I have to say that I'm really sorry our state is forced to make those kinds of choices."

The AMC has suggested a lesser evil: cut county program aid, the state funding comparable to local government aid for cities. County program aid is a broader source of funding than block grants, Coldwell said, and from the AMC's perspective, it doesn't make sense for the state to provide property tax relief through program aid, only to cut other funding that counties would have to backfill.

Not everyone is in a hurry to pass GAMC legislation quickly. Rep. Steve Gottwalt (R-St. Cloud) believes GAMC needs significant reform to make the program more effective and sustainable.

"I really think we need to look for the best solution, not just a solution," he said.

Rep. Jim Abeler (R-Anoka) is concerned the temporary GAMC proposal will have



PHOTO BY TOM OLMSCHIED

Several hundred people rallied in the Rotunda Feb. 4 urging the Legislature to pass a bill early in the 2010 session for continued funding of the General Assistance Medical Care program.

Health Care continued on page 22





PHOTO BY TOM OLMSCHIED

Gov. Tim Pawlenty, center, glances up at his wife, Mary, after greeting House Taxes Committee chairwomen Ann Lenczewski as he leaves the House Chamber after presenting his final State of the State address to a joint session of the Legislature Feb. 11. Pawlenty thanked his wife, during his address, for her service to the State of Minnesota.

# Laying out his recovery plan

Pawlenty promotes tax cuts, job growth in final State of the State address

BY PATTY OSTBERG

**G**ov. Tim Pawlenty mixed in a little humor while offering suggestions on how to help Minnesota's sobering economy recover from the recession.

Pawlenty opened his final State of the State address Feb. 11 by recognizing the Red Bulls of the Minnesota National Guard and their return home this week.

Before moving onto his familiar themes, such as reducing corporate and personal income taxes, reducing government spending and performance pay for teachers, Pawlenty took a few jabs at himself. He lightheartedly offered advice to the myriad of legislators running for governor seated in the House chamber: "First, schedule a monthly haircut to manage your mullet ... and before you take the microphone

at a Minnesota Wild game, carefully practice pronouncing the word 'puck.'"

### Economy

Pawlenty reiterated his belief that the state's tax system is prohibitive to job growth, saying the state's business tax climate ranks eighth-worst in the nation.

He said the answer lies in a six-part package of cuts and incentives. Called the "Jobs Creation Bill," it is a plan for:

- a 20 percent reduction in the corporate tax rate;

- a 20 percent exclusion from taxation for small businesses;
- an angel investment tax credit to provide incentives for investing in early-stage companies;
- a supercharged research and development tax credit;
- a capital gains exclusion for qualified investments; and
- incentives for companies to invest in Minnesota small business.

He urged lawmakers to improve and renew the JOBZ program, and pass a CARZ program to offer tax incentives at the Ford plant in St. Paul, thus potentially saving 750 jobs.

### Education

"Persistently low achieving schools need new leadership, new authority, and new teachers

**State of the State continued on page 22**

## Monday, Feb. 8

### HF2738-Wagenius (DFL)

#### Finance

Lake Vermilion State Park; acquisition restrictions removed.

### HF2739-Murphy, M. (DFL)

#### State & Local Government Operations Reform, Technology & Elections

Public Employees Retirement Association; new partial salary credit purchase authority added for partial paid medical leaves and budgetary leaves.

### HF2740-McNamara (R)

#### Environment Policy & Oversight

Watershed district boundary changes prohibited until one year has passed if the request is made via citizen petition.

### HF2741-Garofalo (R)

#### Finance

Lake Byllesby Dam spillway on the Cannon River funding provided.

### HF2742-Garofalo (R)

#### Finance

Cannon River pedestrian bridge funding provided.

### HF2743-Morgan (DFL)

#### Finance

Dakota County; Trunk Highway 13 and County State-Aid Highway 5 interchange funding provided.

### HF2744-Masin (DFL)

#### Finance

Dakota County; Hennepin County; Cedar Avenue Bus Rapid Transit Way funding provided.

### HF2745-Clark (DFL)

#### Commerce & Labor

Cosmetology license payment deposit requirement modified.

### HF2746-Lenczewski (DFL)

#### Taxes

Internal Revenue Code conforming changes made, and certain dividend deduction disallowed in tax year 2010.

### HF2747-Welti (DFL)

#### Finance

Excess debt service onetime transfer permitted for general education expenses.

### HF2748-Bly (DFL)

#### Finance

Revenue formula allowance modified for extended time programs.

### HF2749-Carlson (DFL)

#### Finance

Minneapolis Community and Technical College funding provided.

### HF2750-Davnie (DFL)

#### Taxes

Small business investment tax credit provided.

### HF2751-Morgan (DFL)

#### K-12 Education Policy & Oversight

Students who do not pass the reading and language arts GRAD allowed to retake the test in paper-and-pencil format.

### HF2752-Emmer (R)

#### Health Care & Human Services Policy & Oversight

Amended death record required when ordered by the court.

### HF2753-Morrow (DFL)

#### Finance

Trunk highway bond appropriation amended.

### HF2754-Winkler (DFL)

#### Commerce & Labor

Secretary of State filings regulated.

### HF2755-Swails (DFL)

#### Finance

Voting equipment and vote-counting equipment grant funding provided; grant terms and procedures specified.

### HF2756-Kahn (DFL)

#### Public Safety Policy & Oversight

Measurement of actual amount of controlled substance mandated for determining severity of controlled substance possession offenses.

### HF2757-Kahn (DFL)

#### Public Safety Policy & Oversight

Measurement of the actual weight of controlled substance residue mandated for determining severity of controlled substance offenses.

### HF2758-Lillie (DFL)

#### State & Local Government Operations Reform, Technology & Elections

Labor agreements and compensation plans ratified.

### HF2759-Jackson (DFL)

#### Finance

Oliver H. Kelley Farm historic site revitalization funding provided, county historic sites and local historic structure funding provided.

### HF2760-Slawik (DFL)

#### Finance

Statewide child care provider training, coaching, consultation and supports funding provided to prepare for the voluntary Minnesota quality rating system.

### HF2761-Kahn (DFL)

#### Health Care & Human Services Policy & Oversight

Health insurance required to cover routine health care received while participating in a qualified clinical trial under certain circumstances.

### HF2762-Kohls (R)

#### Finance

Lake Waconia Regional Park public boat launch funding provided.

### HF2763-Lenczewski (DFL)

#### Taxes

Income tax charitable deduction accelerated for relief of Haitian earthquake victims.

### HF2764-Welti (DFL)

#### Finance

Independent School District No. 535, Rochester, onetime exception created and proceeds from sale of school district property allowed to be used as operating capital.

### HF2765-Rosenthal (DFL)

#### Finance

Normandale Community College funding provided.

### HF2766-Welti (DFL)

#### Higher Education & Workforce Development Finance & Policy Division

Educational data disclosure clarified.

### HF2767-Welti (DFL)

#### Finance

Rochester Community Technical College funding provided to design and renovate classrooms and programs.

### HF2768-Kohls (R)

#### Taxes

Special taxing district levy separate statement required.

### HF2769-Gardner (DFL)

#### Health Care & Human Services Policy & Oversight

Commissioner of human services duties modified relating to controlled substance abuse prevention.

### HF2770-Winkler (DFL)

#### Taxes

Start-up and emerging Minnesota businesses investment credit provided.

### HF2771-Winkler (DFL)

#### Finance

Local facilities grant cooperative created.

### HF2772-Hoppe (R)

#### Finance

Chanhassen; funding provided to acquire property along Bluff Creek.

### HF2773-Pelowski (DFL)

#### Taxes

Compensation payment required to certain cities.

### HF2774-Hansen (DFL)

#### Finance

Dakota County; Robert Street Corridor Transit Way funding provided.

### HF2775-Sterner (DFL)

#### Finance

Dakota County; funding provided for Trunk Highway 52 interchange at County State-Aid Highway 42.

### HF2776-Sterner (DFL)

#### Finance

Dakota County; Hennepin County; Trunk Highway 77 funding provided for capacity and safety improvements.

### HF2777-Bunn (DFL)

#### Finance

Oak Park Heights correctional facility funding provided.

### HF2778-Bunn (DFL)

#### Finance

Higher education asset preservation and replacement funding provided.

### HF2779-Torkelson (R)

#### Taxes

Public safety radio system exemption expanded.

### HF2780-Howes (R)

#### Commerce & Labor

Well contractor license, bond and registration requirements modified.

### HF2781-Obermueller (DFL)

#### Commerce & Labor

Labor and industry licensing provisions modified, and license fees modified and imposed.

### HF2782-Emmer (R)

#### Finance

Special equine enthusiast license plate established and account created.

### HF2783-Howes (R)

#### Finance

Minnesota Management and Budget school district state aid payment requirement repealed.

**HF2784-Howes (R)**  
**Health Care & Human Services**  
**Policy & Oversight**  
Public pool definition modified.

**HF2785-Brown (DFL)**  
**Public Safety Policy & Oversight**  
False reporting of a crime penalty amended.

**HF2786-Reinert (DFL)**  
**State & Local Government**  
**Operations Reform, Technology**  
**& Elections**  
Duluth; membership rules provided for the Spirit Mountain Recreation Area Authority.

**HF2787-Faust (DFL)**  
**Higher Education & Workforce**  
**Development Finance & Policy**  
**Division**  
Technical colleges allowed to offer associate of arts degrees.

**HF2788-Nelson (DFL)**  
**Finance**  
Maple Grove; Trunk Highway 610 construction funding provided.

**HF2789-Juhnke (DFL)**  
**Finance**  
Salary reductions imposed for certain employees of state-operated services to restore wages for AFSCME and MAPE employees.

**HF2790-Welti (DFL)**  
**Taxes**  
Pollution control equipment exempt from sales tax.

**HF2791-Welti (DFL)**  
**Taxes**  
Materials used to construct renewable energy plant exempt from sales tax.

**HF2792-Knuth (DFL)**  
**Energy Finance & Policy Division**  
Congress memorialized to adopt clean energy legislation.

**HF2793-Hornstein (DFL)**  
**Finance**  
Healthy school lunches funding provided.

**HF2794-Anzelc (DFL)**  
**Finance**  
Senior housing funding provided.

**HF2795-Olin (DFL)**  
**Finance**  
Independent School District No. 356, Lancaster; transition revenue adjusted.

**HF2796-Mariani (DFL)**  
**Finance**  
Brooklyn Center and White Bear Lake; community school funding provided.

**HF2797-Hilty (DFL)**  
**State & Local Government**  
**Operations Reform, Technology**  
**& Elections**  
Indian tribes authorized to participate in joint powers agreement.

**HF2798-Hilstrom (DFL)**  
**Finance**  
Interim rates approval process revised for public utilities; disclosure required of travel, entertainment and related expenses.

**HF2799-Benson (DFL)**  
**Finance**  
Food and nutrition assistance programs funding provided.

**HF2800-Tillberry (DFL)**  
**Taxes**  
Study group members expanded to study aids to local governments.

**HF2801-Obermueller (DFL)**  
**Finance**  
Complete streets policy defined and implemented.

**HF2802-Persell (DFL)**  
**Finance**  
Natural and scenic areas and regional parks funding provided.

**HF2803-Hosch (DFL)**  
**Finance**  
Stearns County; Kraemer Lake and Wildwood Regional Park planning funding provided.

**HF2804-Swails (DFL)**  
**Transportation & Transit Policy**  
**& Oversight Division**  
Household goods movers provisions repealed for filing of tariffs.

**HF2805-Severson (R)**  
**Taxes**  
Tax credit reduction eliminated for those with past military service.

**HF2806-Juhnke (DFL)**  
**Agriculture, Rural Economies**  
**& Veterans Affairs**  
Higher education veteran's assistance program sunset date delayed.

**HF2807-Hornstein (DFL)**  
**Finance**  
Transportation construction impacts on business provisions modified, prohibited rest area activities added, highway routes modified; traffic provisions, bridge projects provisions and impound provisions modified; Minnesota Council of Transportation Access and a Commuter Rail Corridor Coordinating Committee established and member provisions modified.

**HF2808-Severson (R)**  
**Agriculture, Rural Economies**  
**& Veterans Affairs**  
Courts provided the option for stay of adjudication for military members and veterans diagnosed as suffering from a psychological injury or condition.

**HF2809-Severson (R)**  
**Agriculture, Rural Economies**  
**& Veterans Affairs**  
Bid preference program eligibility broadened for veteran-owned small businesses.

**HF2810-Rukavina (DFL)**  
**Higher Education & Workforce**  
**Development Finance & Policy**  
**Division**  
Mandatory work and meal breaks modified.

**HF2811-Koenen (DFL)**  
**Environment Policy & Oversight**  
Coyote conflict management option provided for counties.

**HF2812-Abeler (R)**  
**Higher Education & Workforce**  
**Development Finance & Policy**  
**Division**  
Minnesota State Colleges and Universities consultation required prior to acquiring facilities.

**HF2813-Faust (DFL)**  
**Finance**  
Full-time equivalent definition expanded for the purpose of the safe school levy.

**HF2814-Swails (DFL)**  
**K-12 Education Policy & Oversight**  
Pupil transportation provisions modified, certain lift buses included in category of revenue authorized reimbursement and contracted transportation costs included as a method for allocating pupil transportation costs.

**HF2815-Bly (DFL)**  
**Finance**  
Fiscal note requirements modified.

**HF2816-Hayden (DFL)**  
**Civil Justice**  
Certain utilities and eviction provisions modified and termination of a lease permitted for medical reasons.

**HF2817-Abeler (R)**  
**State & Local Government**  
**Operations Reform, Technology**  
**& Elections**  
Layoffs prohibited if the appointing authority intends to hire part-time.

**HF2818-Doty (DFL)**  
**Commerce & Labor**  
Temporary tax exemption created for lawful gambling organizations making a charitable contribution to local governments.

**HF2819-Mullery (DFL)**  
**Civil Justice**  
Public access to certain juvenile records modified and release of records limited.

**HF2820-Solberg (DFL)**  
**Transportation & Transit Policy**  
**& Oversight Division**  
Deputy registrar requirements modified.

**HF2821-Benson (DFL)**  
**Finance**  
Appropriations adjusted to balance state budget for the biennium ending June 30, 2011.

**HF2822-Severson (R)**  
**Agriculture, Rural Economies**  
**& Veterans Affairs**  
Higher education veteran's assistance program sunset date delayed.

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## Thursday, Feb. 11

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**HF2823-Jackson (DFL)**  
**Civil Justice**  
Common interest community certificates changed.

**HF2824-Hayden (DFL)**  
**Civil Justice**  
Hearing request time modified on an order to secure a building, notice of sale requirements modified, certificate of sale and specified information provided to political subdivisions, and political subdivisions authorized to recover attorney fee costs for obtaining a five-week redemption period.

**HF2825-Hortman (DFL)**  
**Civil Justice**  
Certain distribution statuses clarified, relationship and inheritance provisions changed, and emergency and temporary conservators provided.

**HF2826-Haws (DFL)**  
**Health Care & Human Services**  
**Policy & Oversight**  
Adult children with financial means included in funeral expense pay requirement.

**HF2827-Hosch (DFL)**  
**Public Safety Policy and Oversight**  
Protective agent vehicle allowed use of flashing red light while escorting oversized vehicle.

**HF2828-Jackson (DFL)**  
**Civil Justice**  
Instrument requirements to secure debt clarified.



**HF2829-Champion (DFL)****Civil Justice**

Expungement of eviction records provisions modified and personal representative of deceased tenant allowed unit access.

**HF2830-Faust (DFL)****Civil Justice**

Adoption of an adult by a guardian provided.

**HF2831-Hayden (DFL)****Civil Justice**

Access to certain information provisions modified in child support enforcement, certain actions by a public authority authorized, and child support judgment survival provided.

**HF2832-Drazkowski (R)****Commerce & Labor**

Annual production limit increased for farm wineries.

**HF2833-Johnson (DFL)****Commerce & Labor**

Wire crossing or paralleling utility line provisions modified.

**HF2834-Hornstein (DFL)****Finance**

Public utilities commission required to open docket to examine integration of electric vehicles into Minnesota's electricity grid.

**HF2835-Emmer (R)****Energy Finance & Policy Division**

Greenhouse gas emissions requirements repealed.

**HF2836-Brod (R)****Taxes**

Imposition of income tax prohibited, replacement tax required, and constitutional amendment proposed.

**HF2837-Knuth (DFL)****Higher Education & Workforce Development Finance & Policy Division**

"Green economy" definition amended to include the concept of "green chemistry."

**HF2838-Dill (DFL)****Environment Policy & Oversight**

Lake Vermilion State Park land acquisition authorized, and lands incorporated from an existing state park.

**HF2839-Bunn (DFL)****Finance**

Minnesota entrepreneur virtual assistance network authorized and money appropriated.

**HF2840-Swails (DFL)****State & Local Government****Operations Reform, Technology & Elections**

Collaborative governance council established.

**HF2841-Hayden (DFL)****Finance**

Long-term care ombudsman directed to expand the volunteer ombudsman program, and money appropriated.

**HF2842-Benson (DFL)****Taxes**

Valuation exclusion authorized for certain improvements to homestead properties.

**HF2843-Downey (R)****Higher Education & Workforce Development Finance & Policy Division**

Liberty school district pilot program created.

**HF2844-Smith (R)****Finance**

Public safety-related funding provided, and money appropriated.

**HF2845-Downey (R)****Public Safety Policy & Oversight**

Judges authorized to prohibit juvenile sex offenders from residing near their victims.

**HF2846-Downey (R)****Higher Education & Workforce Development Finance & Policy Division**

Certain education mandates repealed or modified.

**HF2847-Davnie (DFL)****Taxes**

Hydrogenerating facility construction exemption extended.

**HF2848-Hortman (DFL)****Finance**

Certain traffic fines and forfeited bail money allocations modified.

**HF2849-Norton (DFL)****Finance**

Minnesota and Wisconsin small business start-ups comparative study of state laws provided.

**HF2850-Newton (DFL)****Finance**

School district additional flexibility provided.

**HF2851-Nornes (R)****Transportation & Transit Policy & Oversight Division**

Trunk highway system route removed.

**HF2852-Johnson (DFL)****Commerce & Labor**

Cable communications franchise requirements clarified.

**HF2853-Downey (R)****Higher Education & Workforce Development Finance & Policy Division**

Nonunion teacher contracts permitted.

**HF2854-Morgan (DFL)****Public Safety Policy & Oversight**

Transitional housing location regulated for criminal offenders subject to noncustodial supervision.

**HF2855-Gunther (R)****Commerce & Labor**

Boiler provisions modified and civil and criminal penalties amended and imposed.

**HF2856-Atkins (DFL)****Commerce & Labor**

Continuing education requirements changed for real estate brokers and salespersons.

**HF2857-Murdock (R)****Finance**

Perham; Perham Resource Recovery Facility funding provided.

**HF2858-Brown (DFL)****Finance**

Blazing Star Trail funding provided.

**HF2859-Simon (DFL)****Finance**

Nursing facility rate provisions modified.

**HF2860-Newton (DFL)****Finance**

Lease levy revenue amounts modified for certain school districts.

**HF2861-Newton (DFL)****Taxes**

Minnesota property tax homestead market value exemption program benefits modified for disabled veterans and their surviving spouses.

**HF2862-Seifert (R)****Energy Finance & Policy Division**

Congress urged to refuse to enact cap-and-trade legislation that would increase costs of goods and services and encourage states to establish and develop their own renewable energy portfolio standards.

**HF2863-Mariani (DFL)****Higher Education & Workforce Development Finance & Policy Division**

School compulsory attendance age increased.

**HF2864-Gardner (DFL)****Public Safety Policy & Oversight**

Domestic abuse offenders electronic monitoring pilot project authorized.

**HF2865-Fritz (DFL)****Health Care & Human Services Policy & Oversight**

Electroconvulsive therapy administration procedures established.

**HF2866-Carlson (DFL)****State & Local Government****Operations Reform, Technology & Elections**

Executive branch authority modified to reduce unexpended allotments.

**HF2867-Newton (DFL)****Higher Education & Workforce Development Finance & Policy Division**

Child with a disability definition clarified and obligations to children with disabilities specified.

**HF2868-Jackson (DFL)****Finance**

Milaca; pedestrian bridge funding provided.

**HF2869-Doty (DFL)****Finance**

Camp Ripley troop support facility funding provided.

**HF2870-Doty (DFL)****Finance**

Little Falls; veterans nursing home funding provided.

**HF2871-Doty (DFL)****Finance**

Little Falls Truck Station funding provided and trunk highway bonds issued.

**HF2872-Ward (DFL)****Finance**

Nisswa; Jenkins; Highway 371 reconstruction funding provided and trunk highway bonds issued.

**HF2873-Ward (DFL)****Finance**

Brainerd; veterans nursing home funding provided.

**HF2874-Ward (DFL)****Finance**

Crosby; veterans nursing home funding provided.

**HF2875-Solberg (DFL)****Finance**

Northwoods Regional All-Terrain Vehicle Trail acquisition and development funding provided.

**HF2876-Solberg (DFL)****Taxes**

Property tax exemption eliminated for real and personal property used for pollution control as part of an electric generation system, and rate rider authorized to compensate for tax increase.

**HF2877-Solberg (DFL)****Environment Policy & Oversight**

Itasca County; conveyance authorized of tax-forfeited lands bordering public waters.

**HF2878-Peppin (R)****Environment Policy & Oversight**

Mississippi River management plan rule amendment required.

**HF2879-Bigham (DFL)****Commerce & Labor**

Minors allowed to contract for automobile insurance.

**HF2880-Kath (DFL)****Higher Education & Workforce Development Finance & Policy Division**

Graduation-Required Assessment for Diploma requirement for retakes amended.

**HF2881-Kath (DFL)****Public Safety Policy & Oversight**

Qualified persons with medical training or supervision authorized to take blood samples from DWI offenders, and legal immunity provided.

**HF2882-Hansen (DFL)****Finance**

Outdoor heritage funding provided from constitutionally dedicated funds, and money appropriated.

**HF2883-Slocum (DFL)****Finance**

Bloomington Central Station public parking facility funding provided.

**HF2884-Mariani (DFL)****State & Local Government****Operations Reform, Technology & Elections**

Legislative Commission for Policy Innovation and Research established.

**HF2885-Davnie (DFL)****Finance**

Capital project referendum ballot language modified in cases where the same level of taxing authority is renewed.

**HF2886-Drazkowski (R)****Taxes**

Agricultural property market value limit extended.

**HF2887-Drazkowski (R)****Taxes**

Independent School District No. 858, St. Charles, disaster aid funding and declining pupil unit aid appropriation used to help the city cover revenue losses.

**HF2888-Bigham (DFL)****Public Safety Policy & Oversight**

Careless driving resulting in death penalty provided.

**HF2889-Juhnke (DFL)****Finance**

Livestock production input temporary lien allowed for 30 days following mediation request.

**HF2890-Haws (DFL)****Finance**

Certain school districts relieved of contract penalty.

**HF2891-Lieder (DFL)****Finance**

Public land, buildings, and transit funding provided.

**HF2892-Anzelc (DFL)****Environment Policy & Oversight**

Itasca County; pilot land exchange process created for tax-forfeited lands.

**HF2893-Howes (R)****Finance**

Capital improvement funding provided, new programs established and existing programs modified, previous appropriations canceled and modified, bonds issued, and money appropriated.

**HF2894-Marquart (DFL)****Finance**

Watershed district borrowing authority increased.

**HF2895-Juhnke (DFL)****Finance**

ICF/MR variable payment rates modified.

**HF2896-Mack (R)****Civil Justice**

Civil immunity to municipalities that donate public safety equipment expanded.

**HF2897-Norton (DFL)****Health Care & Human Services Policy & Oversight**

Psychologist licensure requirements modified.

**HF2898-Huntley (DFL)****Health Care & Human Services Policy & Oversight**

Waived service living arrangements restrictions prohibited, transfer of certain clients required from group residential housing to waived services, and group residential housing supplementary service payment rate caps modified.

**HF2899-Pelowski (DFL)****State & Local Government****Operations Reform, Technology & Elections**

Data practices and open meetings law violations provided an administrative remedy, civil penalties provided, and money appropriated.

**HF2900-Dill (DFL)****Commerce & Labor**

Electrical licenses modified.

**HF2901-Brod (R)****Health Care & Human Services Policy & Oversight**

Health care reform implemented, interstate health insurance choice created, flexible benefit plan created, primary provider care tiering created, and MinnesotaCare modern benefit plan provided.

**HF2902-Atkins (DFL)****Commerce & Labor**

Motor vehicle sales and distribution regulated.

**HF2903-Wagenius (DFL)****Commerce & Labor**

Museum of Russian Art special on-sale intoxicating liquor license created.

**HF2904-Hilty (DFL)****Environment Policy & Oversight**

Carlton County; public sale authorized of certain tax-forfeited land that borders public water.

**HF2905-Anderson, P. (R)****Taxes**

Water used for public safety purposes exempted.

**HF2906-Hackbarth (R)****Environment Policy & Oversight**

Decoy restrictions modified.

**HF2907-Johnson (DFL)****Commerce & Labor**

State goals set for the deployment and speed of high-speed broadband.

**HF2908-Sterner (DFL)****Agriculture, Rural Economies & Veterans Affairs**

Federal Respite Leave Benefit payment urged for the members of the 1st of the 34th Brigade of the Minnesota National Guard who served in Iraq during the Troop Surge of 2007.

**HF2909-Anderson, S. (R)****Finance**

State agencies required to track and report on the number of jobs created or retained as a result of capital project funding.

**HF2910-Davnie (DFL)****Finance**

School districts authorized to bill nonpublic schools and charter schools for any unreimbursed pupil transportation costs.

**HF2911-Kohls (R)****State & Local Government****Operations Reform, Technology & Elections**

Metropolitan Sports Facilities Commission directed to offer the Metrodome to the professional football team, and commission abolished.

**HF2912-Atkins (DFL)****Commerce & Labor**

Overtime payment obligations of employers regulated.

**HF2913-Reinert (DFL)****Health Care and Human Services Policy and Oversight**

Continuation health insurance premiums adjustment required for certain disabled retired local government employees.

**HF2914-Mariani (DFL)****Transportation & Transit Policy & Oversight Division**

Sale prohibited of motor vehicles with illegally tinted windows.

**HF2915-Lieder (DFL)****Transportation & Transit Policy & Oversight Division**

Bridge project ongoing prioritization provided.

**HF2916-Juhnke (DFL)****Finance**

Department of Veteran Affairs commissioner role clarified in providing certain resources for the county veterans service offices.

**HF2917-Brod (R)****Agriculture, Rural Economies & Veterans Affairs**

Federal Respite Leave Benefit payment urged for members of the 1st infantry of the 34th Brigade of the Minnesota National Guard who served in Iraq during the Troop Surge of 2007.

**Crime**

The drugs collected in Chisago County last year would have had a street value of \$1 million, Chisago County Sgt. Karl Schreck said.

"When younger people are coming in and doing burglaries, they're not taking your TV or your guns. They're not taking your jewelry. They're taking your drugs," Schreck said.


He said teens are hosting "pharming parties," or mixing cold medicines with energy drinks for a "short high."

Realtors told the bill's sponsor that people posing as buyers at an open house steal drugs from medicine cabinets.

Opponents of the bill fear that a central collection site for drugs could become a target for vandals or that controlled substance drugs might be diverted in transit.

"The federal drug enforcement administration has been a little hesitant to open the flood gates to letting stuff be collected where it might be a target, but the risk of having it in your house now exceeds the risk than if you have it in a secure collection program," Gardner said.

U.S. poison centers answered 4.3 million calls in 2008, according to the American Association of Poison Control Centers (AAPCC).

Painkillers are the leading cause of poisonings, according to an AAPCC report. Sedatives, topical ointments, antidepressants, cough and cold medications, and cardiovascular pills are among the top 10. Children under 6 accounted for half of all poisonings in 2008. 


**Health Care continued from page 16**

unintended side-effects for Minnesotans not represented at recent hearings.

"I hope that as we go forward with this project that we don't make things worse for some of the other people that have needs just as great as the people we're serving here," he said.

One lawmaker is proposing a contingency plan in case GAMC ends as scheduled. Rep. Matt Dean (R-Dellwood) sponsors HF2736, which assumes people currently covered under GAMC will be automatically enrolled in another public health care program, MinnesotaCare. The bill could result in modified MinnesotaCare coverage for some single adults and childless households.

Murphy's bill could see action next week. A companion bill, SF2168, sponsored by Sen. Linda Berglin (DFL-Mpls), was passed by the Senate 45-20 on Feb. 11.

Dean's bill awaits action by the House Health Care and Human Services Finance Division. It has no Senate companion. 

hired and assigned based on performance, not seniority," Pawlenty said.

He asked teacher unions to support the "Teaching Transformation Act" that, he says, would improve teacher quality, training and accountability. It would link teacher pay to student performance, set tougher minimum entrance requirements for admission into teacher preparation programs and create a program to recruit mid-career professionals to teach in high-need subject areas such as math and science.

Also under Pawlenty's plan, tenure should be renewed every five years and should be based on evaluations linked to student performance.

**Government**

"We need to reduce government spending because it leads to job-killing tax increases," Pawlenty said.

State government spending has escalated an average of 21 percent every two years between 1960 and 2003, the year he became governor, he said. He credited the increase to both political parties.

Government spending not only needs reduction, but should be held accountable to the current revenues it's collecting, he noted. Pawlenty is proposing a constitutional amendment that would require future spending committees to not exceed current revenues.

He emphasized the controversial unallotments he made in 2009 cannot afford to be restored and he will reveal his plan to deal with the additional budget deficit Feb. 15. The November forecast projected a \$1.2 billion deficit in the current biennium, which ends June 30, 2011.

"Military, veterans, core public safety functions and K-12 classrooms will be protected. Nearly all other areas will be proposed for reduction," he said.

**Health care**

Pawlenty acknowledged the health care reform passed in Minnesota that has improved overall health care costs and quality. "Minnesota is leading the country in paying for better health outcomes rather than just the volume of procedures. We're moving from a system of 'sick care' to a real 'health care' system."

Changes he proposes include allowing consumers to buy health insurance across state lines, which proponents say increases competition thus lowering costs. He noted

that currently three health plans in the state control "almost all of the health care market."

He also called for an overhaul of the publicly subsidized health care systems of MinnesotaCare and Medical Assistance, saying the costs are "out of control."

**Majority responds**

DFL leaders support at least two gubernatorial proposals: the angel investment tax credit and the CARZ tax incentive proposal. However, House Majority Leader Tony Sertich (DFL-Chisholm) thinks the governor "set the wrong tone" by failing to acknowledge legislative initiative on similar ideas.

Sertich said Sen. Ellen Anderson (DFL-St. Paul) introduced a bill last year to help the Ford plant stay open.

Otherwise, the DFL leaders indicated the governor's proposals are too little, too late.


Sertich criticized what wasn't in the speech, namely, Pawlenty's 2009 veto of GAMC funding, which Sertich said the governor had indicated then was "a signal to try to fix the problem. We heard nothing about him trying to fix that problem."

DFL leaders also said the speech failed to adequately address the budget deficit, which they say is the key issue concerning lawmakers.

"If you take all of his tax proposals and add them up, it grows the deficit by hundreds of millions of dollars," noted Sertich.

"To me it does sound like the axe is back as a budget-cutting tool and that is going to be of concern to a lot of Minnesotans, that it's not done with an idea of strategic investment or an eye to the future," said House Speaker Margaret Anderson Kelliher (DFL-Mpls).

If the governor is serious about the constitutional amendment proposal, said Senate Majority Leader Larry Pogemiller (DFL-Mpls), "I would hope his Monday budget reflects that constitutional amendment, and I think that would be a fair standard to set."

While agreeing job growth is a priority, Pogemiller noted that the Office of the Legislative Auditor's critical evaluation of the JOBZ program indicates the program is "not working as well as it could." He suggested that appointing a replacement for Dan McElroy, commissioner of the Department of Employment and Economic Development, would be a "legacy" Pawlenty could leave the state. 

— **STAFF WRITER KRIS BERGGREN**  
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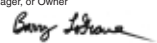
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### Statement of Ownership, Management and Circulation

Publication Title Session Weekly		Publication Number 1 0 4 9 - 8 1 7 6	Date of Filing 8/14/2009
Issue Frequency Weekly during legislative session		No. of Issues Published Annually 22 odd yr. ; 12 even	Annual Subscription/Price No Charge
Complete Mailing Address of Known Office of Publication 100 Rev. Dr. Martin Luther King Jr. Blvd., Room 175 St. Paul, Ramsey Co., MN, 55155-1298			Contact person Nick Busse
Complete Mailing Address of the Headquarters or General Business Offices of the Publisher Same as above			Telephone 651-296-2146
Full Names and Complete Mailing Address of Publisher, Editor, and Managing Editor			
Publisher Barry LaGrave, 100 Rev. Dr. Martin Luther King Jr. Blvd., Rm. 175, St. Paul, MN, 55155-1298			
Editor Lee Ann Schutz, 100 Rev. Dr. Martin Luther King Jr. Blvd., Rm. 175, St. Paul, MN, 55155-1298			
Managing Editor Mike Cook, 100 Rev. Dr. Martin Luther King Jr. Blvd., Rm. 175, St. Paul, MN, 55155-1298			
(Do not leave blank. If the publication is owned by a corporation, give the name and address of the corporation immediately followed by the names and addresses of all stockholders owning or holding 1 percent or more of the total amount of stock. If not owned by a corporation, give the names and addresses of the individual owners. If owned by a partnership or other unincorporated firm, give its name and address as well as those of each individual owner. If the publication is published by a nonprofit organization, give its name and address.)			
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Known Bondholders, Mortgagees, and Other Security Holders Owning or holding 1 Percent or More of Total Amount of Bonds, Mortgages or Other Securities. If none, check box. <input checked="" type="checkbox"/> None			
For completion by nonprofit organizations authorized to mail at special rates. The purpose, function and nonprofit status of this organization and the exempt status for federal income tax purposes: (Check one) <input checked="" type="checkbox"/> Has Not Changed During Preceding 12 Months <input type="checkbox"/> Has Changed During Preceding 12 Months (If changed, publisher must submit explanation of change with this statement)			
Publication Title Session Weekly		Issue Date for Circulation Data 5/29/2009	
15. Extent and Nature of Circulation		Average No. Copies Each Issue During Preceding 12 Months	No. Copies of Single Issue Published nearest to Filing date
a. Total No. Copies (Net press run)		4,902	6,000
b. Legitimate Paid and/or Requested Distribution (By mail and Outside the Mail)	1 Outside-County Paid/Requested Mail Subscriptions stated on PS Form 3541.	3,480	4,451
	2 In-County Paid/Requested Mail Subscriptions Stated on PS Form 3541.	5	5
	3 Sales Through Dealers and Carriers, Street Vendors, Counter Sales, and Other Paid Distribution Outside USPS		
	4 Requested Copies Distributed by Other Classes of Mail Through the USPS (e.g. First Class Mail)		
c. Total paid Distribution (Sum of 15b (1), (2), (3), and (4))		3,485	4,456
d. Non-requested Distribution (By mail and Outside the Mail)	1 Outside-County Paid/Nonrequested Mail Subscriptions stated on PS Form 3541.		
	2 In-County Paid/Nonrequested Mail Subscriptions stated on PS Form 3541.		
	3 Nonrequested Copies Mailed at Other Classes Through the USPS (e.g. First Class Mail)	1,417	1,549
	4 Nonrequested Copies Distributed Outside the Mail.		
e. Total Nonrequested Distribution		1,417	1,549
f. Total Distribution (Sum of 15c and 15e)		4,902	6,000
g. Copies Not Distributed		0	0
h. Total (Sum of 15f and g)		4,902	6,000
i. Percent paid and/or Requested Circulation.		71%	74%
<input checked="" type="checkbox"/> Publication required. Will be printed in the February 12, 2010 issue of this publication			
Signature and Title of Editor, Publisher, Business Manager, or Owner		Date	
		August 14, 2009	
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— M. Cook

Sources: Department of Employment and Economic Development, including December 2009 *Minnesota Employment Review*, Local Area Unemployment Statistics and [www.minnesotaworks.net](http://www.minnesotaworks.net).

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# SESSION WEEKLY



A NONPARTISAN PUBLICATION

MINNESOTA HOUSE OF REPRESENTATIVES • PUBLIC INFORMATION SERVICES

VOLUME 27, NUMBER 3 • FEBRUARY 19, 2010

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## SESSION WEEKLY

Session Weekly is a nonpartisan publication of Minnesota House of Representatives Public Information Services. During the 2009-2010 Legislative Session, each issue reports House action between Thursdays of each week, lists bill introductions and provides other information. No fee.

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

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



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On the cover: Charles Rice of St. Peter applauds and Michael Winterringer of Hibbing waves his sign that reads, "There's Pa-lenty to Go Around" as Rep. Larry Hosch speaks during the Feb. 16 Mental Health Day at the Capitol rally.

— Photo by: Tom Olmscheid

# Unallotment upheaval

Potential modifications to governor's power gets House committee approval

By PATTY OSTBERG

**W**hile nearly every state has some sort of constitutional law regarding unallotment, Minnesota is one of a dozen states that gives unchecked gubernatorial power to eliminate expenditures to prevent an anticipated budget deficit.

It is a process that some say gives too much power to the governor and not enough to the Legislature in making budgetary decisions.

Rep. Lyndon Carlson, Sr. (DFL-Crystal) believes the unallotment statute needs to be modernized to bring a budgetary balance of power to the three branches of government. Current law "provides more power than a good governor should want or bad governor should have," he said.

He sponsors HF2866 that would limit the expenditure amounts the governor can eliminate to no more than 2 percent of General Fund appropriations in a biennium. Also, unallotments could not go beyond 10 percent of any appropriation, and would be limited to any portion of a projected deficit that was not known at the completion of the legislative session.

The governor also could not change eligibility requirements or modify formulas

for programs, under the bill. Temporary suspension of payments or deferrals beyond the biennium would also be considered as part of the total sum of unallotment.

Also, the Legislative Commission on Planning and Fiscal Policy would replace the Legislative Advisory Commission as the group the executive branch must consult with before making unallotment reductions.

Carlson said the change is needed because the LCPFP is made up of both majority and minority parties, unlike the LAC which is comprised of the majority party.

"We would also have a larger membership as a result of that, and also both caucuses would be represented," he said.

The bill would take effect the day following enactment, so as not to interfere with the current Supreme Court case challenging one of Gov. Tim Pawlenty's 2009 unallotments, Carlson added.

The House State and Local Government Operations Reform, Technology and Elections Committee approved the bill Feb. 17 and sent it to the House Finance Committee, which Carlson chairs. A companion, SF2566, sponsored by Sen. Richard Cohen (DFL-St. Paul), awaits action by the Senate Finance Committee.

## Who has the power?

David Schultz, a professor in the Hamline University School of Business, said there are several problems with how unallotment is currently structured.

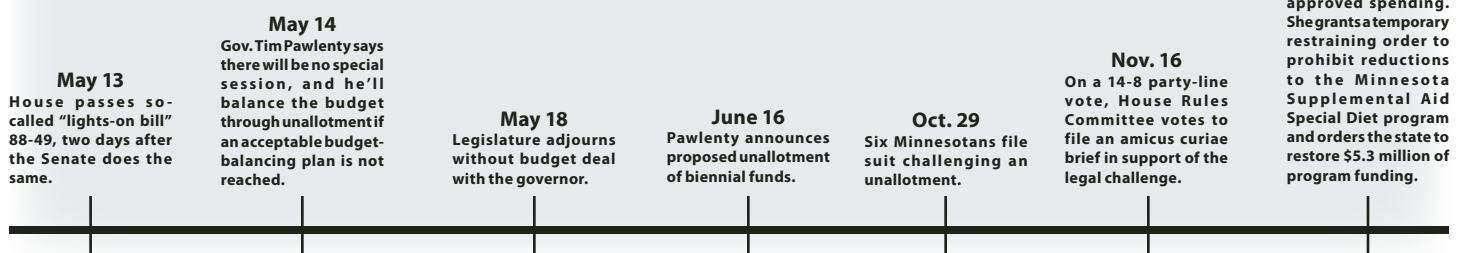
Consider this scenario: the Legislature decides to fund a program, the governor vetoes it, and the Legislature overrides the veto. The governor could still use unallotment to eliminate the program. Essentially, the current process allows for a second veto by a governor, Schultz said.

Unallotment could also arguably violate the separation of powers clause of the Minnesota Constitution in terms of taking away budgetary powers from the Legislature that it ought to have, while giving wide-open discretion to the governor on what, how and when he wants to unallot, Schultz explained.

"The Legislature needs to take back, and to

**First Reading continued on page 4**

## Timeline of unallotment action 2009



have for itself, its constitutionally enumerated or delegated powers to be able to assume its responsibilities over the budget,” Schultz said.

Rep. Mark Buesgens (R-Jordan) said that while the current statute may be a matter of philosophical differences, allowing only fixed percentages could possibly force a governor to call a special session if the amount unallotted would not solve the budget deficit. The Minnesota Constitution only allows a governor to call a special session, and forcing a governor to call one to fix a budget deficit would shift the constitutional balance. “It’s unconstitutional in nature,” he said.

Schultz said the Legislature could set limits on when the governor could unallot — such as only when the Legislature is able to convene — or give the Legislature ample opportunity when it does reconvene to override the governor’s unallotment.

### ‘Special’ power to the people

Carlson also sponsors HF2577 that, upon approval of a constitutional amendment by state voters, would give legislators the authority to call a time-limited special session. Supporters say the change could reduce the gridlock when governing bodies cannot agree because the governor could not use a special session as a bargaining chip as in years past, Carlson said. Only 18 other states have special sessions called by their governor, he noted.

Buesgens called the bill a “knee-jerk reaction” to the continued frustration of legislators over the ending of last session that resulted in Gov. Tim Pawlenty’s controversial unallotments. “The balance of power we have now has worked very, very well for over 150 years,” he said.

The bill was approved by the government operations committee Feb. 18, and sent to the House Finance Committee. A companion,



PHOTO BY TOM OLMSCHIED

**Floodwood Mayor Jeff Kletscher tells the House Local Government Division Feb. 15 the effect additional cuts to local government aid will have on services to his city’s 530 residents. Minneapolis City Council Member Elizabeth Glidden, right, also spoke of the potential consequences to the state’s largest city.**

SF2260, sponsored by Cohen, awaits action by the Senate State and Local Government Operations and Oversight Committee.

Carlson noted other legislators have suggested a total repeal of the governor’s unallotment power, but bond houses actually look more favorably on states that allow for it because it helps guarantee, in a time of fiscal crisis, that adjustments can be made to a budget.


Another suggestion was requiring legislative approval for unallotment, but he said that could constitutionally violate the separation of powers.

“This does not fix the situation,” said Rep. Steve Gottwalt (R-St. Cloud). “It doesn’t get us on a path towards figuring out our systemic and continuing budget deficit that is largely the

result of too much spending and not enough commitment to right-sizing government.”

Rep. Frank Hornstein (DFL-Mpls) responded, “This is about the responsibility of the executive branch and the legislative branch. We’re gonna have Democratic and Republican governors and maybe third-party governors well into the future, and that’s what this is about.”

The 1939 Legislature first gave unallotment power to the governor, and it has been used a handful of times since.

According to the Legislative Reference Library, “Over the past thirty years, the unallotment procedure has been used by three governors: Al Quie in 1980 (\$195 million) and in 1981 (local government aid payments were unallotted in November and December 1981 and were reallocated and paid by February 26, 1982), Rudy Perpich in 1986 (\$109 million), and Tim Pawlenty in 2003 (\$281 million), 2008 (\$269 million), and 2009 (\$2.68 billion).” 

*After meeting at a time prescribed by law, the legislature may adjourn to another time. Legislative day shall be defined by law. A special session of the legislature may be called by the governor on extraordinary occasions.*

— Article 4, Section 12  
Minnesota State Constitution

## Timeline of unallotment action 2010





**Editor's note:** The following Highlights are coverage of select bills heard in House committees and other House activities held Feb. 11-18. 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.

## BONDING

### House bonding bill tops \$1 billion

A capital investment bill to help stimulate the state's economy has gotten more expensive en route to a conference committee.

Sponsored by Rep. Alice Hausman (DFL-St. Paul), HF2700 was amended to increase general obligation spending in the bill to nearly \$1.09 billion, and passed 92-37 by the House Feb. 15 after more than four and a half hours of debate.

The Senate, which passed its \$999.96 million general obligation bonding bill one week earlier, refused to concur with the House proposal. A conference committee is expected to work out the differences.

Hausman said the House bill focuses on higher education investments, transportation and transit improvements, and clean water infrastructure and environmental protection.

The major change made on the House floor is an additional \$89.07 million to construct 400 more beds at the state's sex offender facility at Moose Lake. Gov. Tim Pawlenty has threatened to veto the entire bill if this project is not included. Technically offered by Hausman, she said Rep. Larry Howes (R-Walker), the lead Republican on the House Capital Investment Finance Division, had also signed off on the amendment.

"What we want to show ... is that we are respecting the governor's role in these negotiations, and his strong desire for this project, and want to be clear that on a bipartisan basis we are bringing this issue into the conference committee," Hausman said.

To offset the added cost, Rep. Steve Smith (R-Mound) unsuccessfully tried to remove funding for convention center projects in Mankato, Rochester and St. Cloud, along with funds for Orchestra Hall and Ordway Center renovations, a cultural center in St. Paul and for design of the Headwaters Science Center in Bemidji.

Rep. Mark Buesgens (R-Jordan) unsuccessfully offered a motion to send the bill back to the House Finance Committee so

the public could have a say in the matter.

House Majority Leader Tony Sertich (DFL-Chisholm) said the motion was a "tactic to delay passage and actually get jobs on the ground in the state." He earlier indicated the bill would create 21,000 jobs.

— M. Cook

## CONSUMERS

### No body shops for auto insurers

A bill that would ban automobile insurance companies from owning auto body repair shops is headed to the House floor — again.

Sponsored by Rep. Leon Lillie (DFL-North St. Paul), HF978 would make it unlawful for any company that sells auto insurance to acquire ownership interest in a business that repairs the "nonmechanical" exterior or interior parts of automobiles.

The bill was awaiting action on the House floor last year when session ended, forcing it back to the House Commerce and Labor Committee. The committee re-approved the bill Feb. 16 and sent it back to the floor.

According to Lillie, the bill is intended to prevent insurance companies from directing consumers to get their cars fixed at the insurers' own repair shops. He said the concern is that they might have an unfair advantage over independently owned shops.

Although no insurers currently own repair

businesses in Minnesota, Lillie said it's becoming common in other states.

Joanne LaMettry, co-owner of LaMettry's Collision, raised another concern: that insurance companies might look to cut costs by having their repair shops do inferior work.

"There have been instances where insurers, even in the current market, have pressured independent repair shops to do repairs that do not meet standard guaranteed repair minimums," LaMettry said.

Douglas Franzen, a lobbyist representing Allstate Insurance, denied that insurance companies would have an incentive to do shoddy work, noting that the civil liability for doing so would be "astronomical." Instead, he suggested bill supporters have ulterior motives.

"Quite bluntly, (the bill) fences out competition. It says certain people can't compete in this market."

Franzen said the bill would hurt consumers. He argued more competition for independent auto body repair shops would lead to lower prices and better deals. He noted that Minnesota law already forbids "steering" of consumers by insurance companies.

A companion, SF842, sponsored by Sen. Mary Olson (DFL-Bemidji), awaits action by the Senate Commerce and Consumer Protection Committee.

— N. Busse

## WATCHING THE SHOW



PHOTO BY ANDREW VONBANK

**From left, Maddie Austin, Katie Lutz and Linnea Akesson, fourth graders at the International School of Minnesota and Girl Scouts from Troop 12560 in Prairie Star, watch the Feb. 15 House floor session from the House Gallery. The girls were at the Capitol to earn their civics badge.**

## EDUCATION

### Mental health education proposed

Prompted by a young constituent, Rep. Andy Welti (DFL-Plainview) sponsors a bill that would incorporate mental health education into school districts' existing physical education and health programs for students in grades seven through 12.

HF664 would direct the Education Department to develop age-appropriate model curriculum on the subject, but not mandate its use by schools.

"Half of all lifetime cases of mental illness begin by age 14, three-fourths by age 24. Mental health education needs to be addressed in our K-12 school system," Welti told the House K-12 Education Policy and Oversight Committee Feb. 17. The bill was approved by the committee and sent to the House K-12 Education Finance Division.

Welti's constituent, Kayla Murphy, a Marquette University student, testified via YouTube that she has suffered from anorexia nervosa, an illness that claimed her aunt's life. She said she hoped no other family would have to suffer because they didn't know how to talk about mental illness with a loved one.

Lisa Hanson, a teacher at Red Wing High School, described having to tell her class that one of their classmates had killed himself. His family paid for her to attend a Johns Hopkins University training in adolescent depression, with the hope of preventing more adolescent suicides. "After teaching health for so many years I knew so little," Hanson said. "Five percent of all teens are experiencing depression. That's one out of 20. We need to destigmatize depression, we need to stigmatize suicide. We have to deal with this."

Rep. Randy Demmer (R-Hayfield) said he understands the importance of the issue but doesn't want to place more expectations on the Education Department while Gov. Tim Pawlenty has proposed cuts to its budget. Demmer, a proponent of local control, also wants to avoid "creating a dependence in the teaching community on the department to develop these sorts of things."

A companion, SF1531, sponsored by Sen. Patricia Torres Ray (DFL-Mpls), awaits action by the Senate E-12 Education Budget and Policy Division.

— K. BERGGREN

### Student transition plan OK'd

College- and career-readiness is a topic frequently discussed by educators, business people and lawmakers interested in how well the state is preparing students for life after high school. With the support of the

Governor's Workforce Development Council, Rep. Sandra Peterson (DFL-New Hope) sponsors HF2705 that would require school districts to implement programs to help every high school student make a transition plan for postsecondary education or employment.

Bryan Lindsley, executive director of the council, told the House K-12 Education Policy and Oversight Committee Feb. 17 that the council's education action committee, which includes Education Commissioner Alice Seagren, approved the recommendation to establish such a plan in 2008.

"This recommendation is to give students the opportunity to really explore the amazing world that is before them and to think about opportunities and their future," Lindsley said. "It is not involuntary career tracking."

Some lawmakers expressed reluctance to mandate a new program for schools.

"Who can argue with the idea of helping kids plan their aspirations and align that to what they're doing in high school?" said Rep. Keith Downey (R-Edina). "But I think we have to ask ourselves really hard questions here in the Legislature. Every time there is a good idea do we as a Legislature have to mandate it?"

Rep. Jerry Newton (DFL-Coon Rapids) opposes imposing an unfunded mandate because he believes it would be a drain on scarce school resources. "Our counselors are already overworked," Newton said, noting the Anoka-Hennepin School District has one counselor per 650 students.

The bill was approved and now goes to the House K-12 Education Finance Division.

A companion, SF2446, sponsored by Sen. Ann Rest (DFL-New Hope), awaits action by the Senate E-12 Education Budget and Policy Division.

— K. BERGGREN

### Board authority shift sought

Rulemaking regarding teacher licensing is the purview of the Board of Teaching, which does not require legislative approval to adopt or significantly amend rules about how teachers are prepared to take charge of their classrooms.

Such rulemaking affects 650 licensure and credential programs offered by many of the state's higher education institutions, said Karen Balmer, the board's executive director.

The state's Race to the Top application for a share of federal education grants includes a proposal to adopt a three-tier licensure system that could significantly shift current teacher licensure policies. That proposal is an example of substantive education policy decisions that should involve elected officials, said Rep. Mindy Greiling (DFL-Roseville). She sponsors

HF2703 that would make the board's authority to adopt new licensure rules or amend rules subject to legislative direction, as is the case with the Department of Education.

The House K-12 Education Policy and Oversight Committee approved the bill Feb. 18 and sent it to the House State and Local Government Operations Reform, Technology and Elections Committee. Its companion, SF2482, sponsored by Sen. Chuck Wiger (DFL-Maplewood), awaits action by the Senate Education Committee.

Balmer supports the bill's purpose to maintain transparency and communication between lawmakers and the board, but said there are practical and philosophical questions about the proposed change. For example, the session timetable could hold up rulemaking processes.

Greiling said she is open to grandfathering in rulemaking already in progress, which she's discussed with Balmer, and that her intent isn't to bog the Legislature down with minor rule changes or technical clarifications, but to promote discussion on oft-controversial issues such as teacher licensure and alternative teacher compensation criteria. Limiting such discussion to a state agency, Greiling said, is "not full involvement of all elected officials, which I think comes out with the best policy. It may not always be pretty, but in the end I think common sense is more apt to prevail when you have more viewpoints involved."

— K. BERGGREN

## ELECTIONS

### Campaign finance reform

The House State and Local Government Operations Reform, Technology and Elections Committee approved administrative changes to laws governing the Campaign Finance and Public Disclosure Board Feb. 17.

Sponsored by Rep. Steve Simon (DFL-St. Louis Park) and Sen. Ann Rest (DFL-New Hope), HF1206/SF80\* would: remove election laws that have since been ruled unconstitutional; no longer require necessary food utensils and supplies to be reported as campaign expenditures; set a value of \$5 or less on informational material given to an official in connection to legislation; permit the board to exempt the requirement of an e-mail address being provided; and set contribution limits for judicial candidates — something that does not currently exist.

The bill would allow a candidate to accept up to \$2,000 in an election year from any individual, political committee or political fund and up to \$500 in other years. These limits are the same as candidates running for



PHOTO BY ANDREW VONBANK

**Gary Goldsmith, executive director of the Campaign Finance and Public Disclosure Board, testifies Feb. 16 before the House State and Local Government Operations Reform, Technology and Elections Committee in support of a bill that would change campaign finance and reporting requirements and contribution limits provided for judicial candidates.**

governor, Simon noted.

He said the changes were included in a larger election bill vetoed last year by Gov. Tim Pawlenty.

Gary Goldsmith, the board's executive director, said, "This is really an administrative bill that makes it possible for the board to move further into the 21st century to leverage the technological resources that have been developing."

The bill takes into consideration the continuing budget decreases to the board and focuses on the use of technology with fewer staff, he added.

The bill, passed 65-2 by the Senate last May, now goes to the House Finance Committee.

— P. OSTBERG

### Election changes signed into law

**Signed  
by  
the  
governor**

A new law will allow major political parties to submit an electronic list to the Office of the Secretary of State with names of eligible voters who can serve as election judges in each election precinct. Previous law didn't specify the ability to do so electronically.

Signed by Gov. Tim Pawlenty Feb. 11, the

law takes effect Aug. 1, 2010. Rep. Jeanne Poppe (DFL-Austin) and Sen. Tony Lourey (DFL-Kerrick) are its sponsors.

Under the law, "stepchild" and "stepsibling" are added to the list of individuals not qualified to be election judges, if related to any candidate at the election. However, individuals related to one another can serve as election judges in the same precinct if they serve on separate shifts that do not run concurrently.

Additionally, the law authorizes a town that has adopted a November election date to return to the second Tuesday in March as the date of the town general election, and it allows a town with a November general election to adopt a plan providing for a six-year term for town supervisors.

HF729/SF848\*/CH180

— P. OSTBERG

## EMPLOYMENT

### DEED programs need some work

State workforce programs help Minnesotans find jobs, but are plagued by problems with accountability and coordination, members of a House division learned.

A new report from the Office of the Legislative Auditor highlights administrative problems within the Department of Employment and Economic Development. Legislative Auditor James Nobles presented the report and its findings to the House Bioscience and Workforce Development Policy and Oversight Division on Feb. 17. No action was taken.

The report finds that unemployed Minnesotans who utilize the state's workforce centers are generally more likely to find employment than those who don't; however, the complex web of workforce programs in the state is difficult to accurately monitor for performance.

"These are programs that are always very important to people who are looking for work or looking to change jobs," Nobles said, adding that workforce programs "need to be effective," especially at a time of high unemployment.

Key findings in the report include:

- accountability within DEED is diffuse due to fragmented authority and funding;
- workforce programs are only partially integrated with related programs like unemployment insurance and adult basic education;
- funding for program providers bypasses a competitive selection process; and
- DEED's monitoring of program providers is inconsistent and not well funded.

Jody Hauer, OLA program evaluator manager, said another problem is that workforce program funding is tied to flawed federal performance standards. This gives workforce program providers an incentive to work with people who are most likely to succeed in finding jobs, rather than those who need the most help.

"The workforce program receives no additional credit when a person who has limited schooling gets a job, than when a skilled tradesperson comes in with an AA degree and gets a job," Hauer said.

Among other problems, Hauer also said DEED does an inadequate job of providing face-to-face help for people who want to apply for unemployment insurance benefits, directing them instead to a central phone service or to DEED's Web site.

Rep. Tim Mahoney (DFL-St. Paul), the division chairman, said the system is "bent in ways that it shouldn't have been bent," but "it's not broken." He said additional hearings are planned on the topic, possibly as early as Feb. 23.

— N. BUSSE

## FAMILY

### Child care rating inches forward

Rep. Keith Downey (R-Edina) questioned House Early Childhood Finance and Policy Division Chairwoman Rep. Nora Slawik (DFL-Maplewood) Feb. 16 about whether a statewide rollout of a quality rating and improvement system (QRIS) for child care centers and family child care providers is inevitable.

Not necessarily, and especially not in the current funding climate and projected \$1.2 billion state deficit, Slawik said. However, a bill she sponsors, HF2760, would direct \$500,000 in available federal funds toward training and support for providers interested in participating in a quality rating system. It was held over for possible inclusion in an omnibus bill.

A pilot program sponsored by the Minnesota Early Learning Foundation (MELF), Parent Aware, is in its third year of operation.

Among Downey's concerns is that Parent Aware has not yet been evaluated to see if it prepares children for kindergarten or helps parents choose a child care setting, the two primary purposes for which it was created. A final evaluation is expected next fall.

"I still have questions as to whether we've substantiated through the MELF pilot whether there is any real direct correlation between the QRIS and actual improvements in readiness, and also whether there are



alternative strategies besides just a statewide, publicly run program for that,” Downey said.

Rep. Sandra Peterson (DFL-New Hope) reminded the division that the Legislature approved such a system last year, without specifying which system to use or how it will be funded.

The bill would direct funds already allocated to Minnesota to grants available to help providers prepare for a rating system. For example, grants could help providers improve their facilities, receive coaching from other providers or buy an educational curriculum. Funds would be administered through the 16 regional agencies of the nonprofit Child Care Resource and Referral Network, said its executive director Ann McCully. She said 250 early responses from member providers in 57 counties to a statewide survey indicate that many, though not all, providers indicate they are interested in participating in a quality rating system.

A companion bill, SF2505, sponsored by Sen. Terri Bonoff (DFL-Minnetonka), awaits action by the Senate Finance Committee.

— K. BERGGREN

## GAMBLING

### Righting a wrong for veterans

It would be a small change to the state’s gambling laws, but it would mean a lot for veterans at Stillwater’s American Legion post and elsewhere.

Robert Hart, post adjutant for American Legion Post 48 in Stillwater, said a recent change to a gambling statute prohibited the legion from renting out a pair of apartments it owns. Essentially, the law said they could no longer rent the apartments, which they used as transitional housing for veterans, because the legion uses charitable gambling proceeds to pay for their building’s costs.

Hart said the change deprives the legion of between \$1,350 and \$1,400 a month in revenue.

“We’ve been struggling to get by in the absence of that ever since that change in the law was made,” he said.

Rep. Julie Bunn (DFL-Lake Elmo) sponsors a bill that would rectify the situation.

HF2422 would change the wording of the law so that veteran or fraternal organizations don’t have to stop renting out portions of their property just because they’re using charitable gambling proceeds to pay for utilities and other building expenses.

The House Commerce and Labor Committee approved the bill Feb. 11. It now awaits action by the full House.

## HISTORY MATTERS



PHOTO BY ANDREW VONBANK

**Holding a Civil War-era rifle, First Regiment of Minnesota Volunteer Infantry re-enactor Martin Goff educates Capitol visitors Feb. 15 during History Matters Day. Sponsored by the Minnesota Historical Society, the event is designed to promote and raise awareness about Minnesota’s history and cultural heritage.**

“This affects not only this legion, but also a number of others around the state,” Bunn said, adding, “It has become a hardship for them.”

Tom Barrett, Minnesota Gambling Control Board executive director, said the situation amounted to a “glitch” in the law, and that the board supports Bunn’s bill.

Sen. Kathy Saltzman (DFL-Woodbury) sponsors the companion, SF2476, which awaits action by the Senate State and Local

Government Operations and Oversight Committee.

— N. BUSSE

### Tax break for charitable gambling

Charitable gambling organizations could get a temporary tax break if they contribute some of their proceeds to local governments.

The House Commerce and Labor Committee approved HF2818, sponsored by Rep. Al Doty (DFL-Royalton) Feb. 16. The bill

would reduce taxes paid by charitable gaming operations by the amount they contribute to local government projects and programs.

Doty said public assets in his district ranging from sidewalks to fire trucks to baseball fields have been funded with charitable gambling proceeds.

"Here's the simple idea: if the charitable gaming funds are being used for something that would otherwise be a function of local government, then we are going to give them their taxes back," Doty said.

Gambling organizations that qualify for the credit could apply for a quarterly refund from the Department of Revenue. The tax exemption would be effective July 1, 2010, and expire June 30, 2013.

King Wilson, executive director of Allied Charities of Minnesota, called the plan "a brilliant idea."

"A large portion of money raised by charitable gambling goes to the local city, goes to the local high school. ... Anything we can do that would allow organizations to have more money to spend on these local projects would be beneficial," he said.

Committee members had bipartisan support for the proposal — though some expressed concern about its impact on the state's projected budget deficit. Doty said the bill would cost \$8.3 million in lost tax revenues.

"This has great merit; I just don't know how you pay for it," said Rep. Tom Anzelc (DFL-Balsam Township).

The bill now goes to the House Taxes Committee, where Doty acknowledged it faces potential opposition because of its state budget implications.

"I know what the tax committee is going to say," he said, adding, "If this bill doesn't happen today, then I think very shortly after we find \$8.3 million would be the right time, because I think it's a good idea."

A companion, SF2523, sponsored by Sen. Paul Koering (R-Fort Ripley), awaits action by the Senate State and Local Government Operations and Oversight Committee.

— N. BUSSE

## GAME & FISH

### Trappers group requests changes

Trappers hope to see state regulations fine-tuned governing the sport that attracts about 6,000 participants.

Minnesota Trappers Association leaders asked the House Game, Fish and Forestry Division Feb. 15 to address four key issues this session:

- allowing concurrent beaver, otter and muskrat trapping seasons;

- opening raccoon and fox seasons earlier in forested zones;
- broadening access to conservation officer contact information; and
- adding more trapping information to the Department of Natural Resources' hunting and trapping handbook.

No action was taken.

Beaver, otter and muskrat trapping season begins in October. Beaver season ends in May, while the other furbearers' trapping season ends in February. Setting concurrent beaver, otter and muskrat seasons would alleviate the waste of off-season muskrats and otters caught accidentally in beaver traps, said Shawn Johnson, association president.

Similarly, raccoons and fox get caught in coyote traps. When this happens, trappers are required to contact a conservation officer to explain the mishap to avoid fines, Johnson added. MTA members want officer phone numbers published in local newspapers, on industry maps and on Web sites. They also want the DNR to publish an independent trapping handbook.

Muskrats or their pelts may have a market value between \$2 and \$20. Contrast that to the \$150 fines for taking the animals.

"There certainly isn't a financial incentive to be a good steward of the resource," said Rep. David Dill (DFL-Crane Lake), the division chairman. He asked both sides to continue working to resolve issues prior to any formal bill introduction.

Seasonal climate differences between northern and southern Minnesota also present unique challenges for trappers in District 1, which includes the Arrowhead Region, Johnson said. Raccoon and fox trappers can be prevented from trapping at all if snow and ice appear early in the fall season; therefore, the MTA is calling for an earlier season in the district.

— S. HEGARTY

## GOVERNMENT

### Keeping the lieutenant governor

A bill to abolish the position of lieutenant governor failed on a 9-7 vote in the House State and Local Government Operations Reform, Technology and Elections Committee Feb. 18.

Rep. Phyllis Kahn (DFL-Mpls), who sponsors HF296, said the bill would save money by eliminating the position. The bill would make the secretary of state the governor if a vacancy occurred.

Additionally, past governors have tried to find a place for the lieutenant governor that they might not be qualified to do, such as a

commissioner position, she said.

"I think this is an easy choice ... to eliminate compared to the very hard choices that we're going to have to make," she said.

The yearly statutory salary of the lieutenant governor is \$78,196.

David Schultz, a professor at the Hamline University School of Business, said 42 states have lieutenant governors. "There seems to be no discernable pattern that states without a lieutenant governor are better or worse governed than those with lieutenant governors," he said. By the very nature that governors were trying to find a position for their lieutenant governors, then "perhaps this is a position we just don't need," he added.

Rep. Steve Gottwalt (R-St. Cloud) said the positions of secretary of state and lieutenant governor are separate, and voters elect them based on different reasons.

Rep. Paul Marquart (DFL-Dilworth) said when voters go to the polls, they are voting for a political philosophy. There should be a continuation of the voters' intentions and it shouldn't be changed unless through an election, he said.

A companion, SF98, sponsored by Sen. Ann Rest (DFL-New Hope), awaits action by the Senate State and Local Government Operations and Oversight Committee.

— P. OSTBERG

## HEALTH

### Gift ban expansion, clarification

Relationships between physicians and pharmaceutical companies are coming under greater scrutiny.

HF1641 would expand and clarify a current ban on gifts from pharmaceutical manufacturers and drug distributors to physicians. Sponsored by Rep. Tina Liebling (DFL-Rochester), the legislation would continue to allow physicians to work with companies on drug and technology research, but would set new rules for reporting financial relationships.

Liebling, who successfully amended the bill to exclude medical device manufacturers from the ban, said the legislation would "add a layer of transparency" to interaction between physicians and pharmaceuticals.

The House Health Care and Human Services Policy and Oversight Committee heard the bill Feb. 16. It was held over for possible inclusion in an omnibus bill.

Committee members heard from Kim Witzak, whose 37-year-old husband, Timothy "Woody" Witzak, committed suicide in 2003 after five weeks on the anti-depressant Zoloft. Woody went to his physician for help



treating insomnia, an off-label use of Zoloft, and received a sample pack of the drug that doubled the dosage after one week of use, Witczak said. She claimed Woody was not informed of the need to be closely monitored when starting the drug.

"I believe this influence, which includes gifts, played a role in Woody being prescribed Zoloft off-label, which ultimately led to his death," said Witczak, who has spent the past several years researching on her own the influence of pharmaceuticals on physicians.

Under Liebling's bill, companies would need to report financial relationships with physicians to the Department of Health. For their part, physicians would need to tell a patient about a relationship with a particular company before prescribing the company's product.

Opponents claim Minnesota already has one of the strictest gift bans in the country. Don Gerhardt, CEO and president of the trade association LifeScience Alley, said companies would prefer one set of federal guidelines on the topic, instead of different regulations among states.

"Do not throw an additional hoop for these organizations to jump through," he said, adding that federal regulations are part of stalled health care reform efforts.

A companion, SF1237, sponsored by Sen. John Marty (DFL-Roseville), awaits action by the Senate Business, Industry and Jobs Committee.

— L. RADOMSKI

### Lyme disease treatment alternative

The Rev. Art Stenberg was bitten by a tick in Brainerd in 1983, but wasn't officially diagnosed with Lyme disease until he visited a New York physician in the early 1990s.

"This disease has cost us our life's savings and taken an even worse toll on (the) time and energy that I've been able to spend with my family," Stenberg said. "They lost their energetic and vibrant father a long time ago."

Yet the medical community has not reached a consensus on the effectiveness of a long-term antibiotic treatment. The approach has been successful for some patients, but deadly for others, prompting many Minnesota physicians to avoid offering it altogether.

Sponsored by Rep. John Ward (DFL-Brainerd), HF2597 would prohibit the Board of Medical Practice from disciplining a physician solely for administering that form of treatment.

"A patient and his or her doctor should have the right to come up with a treatment plan which will best meet the needs of that individual patient," Ward told the House Health Care and Human Services Policy and



PHOTO BY ANDREW VONBANK

**The Rev. Art Stenberg, who contracted Lyme disease, testifies Feb. 17 before the House Health Care and Human Services Policy and Oversight Committee in support of a bill that would limit the Board of Medical Practice from bringing a disciplinary action against a physician for prescribing, administering or dispensing long-term antibiotic therapy for chronic Lyme disease.**

Oversight Committee Feb. 17. The committee tabled the bill in hopes of Ward and the board reaching a compromise.

Chronic Lyme disease is associated with symptoms like headaches, vision changes and neurological disorders that persist after typical treatment of Lyme disease is completed. The disease itself is disputed, with some experts attributing symptoms to "post-Lyme syndrome."

"Scientific studies have not found a long-term benefit to multiple and prolonged use of antibiotics," said State Epidemiologist Dr. Ruth Lynfield. While isolated success stories are good to hear, they are not sufficient ground to support a therapeutic approach, she said.

"I'm just amazed that our smartest people are unopen to new and novel things and have opinions like that," said Rep. Jim Abeler (R-Anoka). Rep. Maria Ruud (DFL-Minnetonka) later apologized for what she called Abeler's "disparaging" comment.

A companion, SF1631, sponsored by Sen. John Marty (DFL-Roseville), awaits action on the Senate floor.

— L. RADOMSKI

## HIGHER EDUCATION

### Financial aid likely to be cut

College students will likely have to get by with less financial aid from the state when they begin their fall semester.

The state grant program — the need-based financial aid awards available to Minnesota college students — faces a \$41.6 million deficit for the current biennium. To fix it, beginning next fall, students who receive state grant money will see a \$300 average reduction in their total award, said Meredith Fergus, policy analyst for the Office of Higher Education.

According to Fergus, actual grant reductions will probably range from \$150 to \$1,000 per year, depending on the students' individual financial circumstances. She said the reductions are needed to fix the program's deficit, which has been caused largely by enrollment increases driven by increased unemployment in the state.

"We're seeing higher enrollment across the board," she said, adding, "It certainly caught us off guard."

Fergus and other OHE officials discussed the situation with members of the House Higher Education and Workforce Development Finance and Policy Division Feb. 18. No action was taken.

Mark Misukanis, director of fiscal policy and research for OHE, said the office could've reduced the deficit by making reductions earlier in the biennium, but decided it would be fairer to students to fulfill the grant amount they had already been promised.

"The downside is that now we have to take a two-year problem and fix it in one year," Misukanis said.

Compounding the situation, another financial aid program, the Achieve Scholarship, had to borrow money from the state grant program to pay for an unexpected increase in demand for scholarship funds. Additionally, Gov. Tim Pawlenty's supplemental budget proposal includes a \$2.3 million cut to the state grant program.

Roughly one in three college undergraduates in Minnesota receive financial aid through the program.

— N. BUSSE

## HOUSING

### Electronic foreclosure help forms

An update is on the table to a 2008 law that assists people whose home is being foreclosed.

A party entitled to foreclose on a property must now provide notice to the mortgagor of



the opportunity to see foreclosure prevention counseling. The notice must be provided to an authorized foreclosure prevention agency within one week after notice is sent to the mortgagor.

"This got counselors out right away to work with the people and let them know what rights they had, and how they could work out things with the lenders," said Rep. Joe Mullery (DFL-Mpls).

More than 60 percent of individuals who work with a foreclosure prevention counselor are able to avert foreclosure, said Kristin Beckmann, government relations director at Twin Cities Habitat for Humanity.

Mullery is sponsoring HF2615 to specify the form and content of the notice requirement to the foreclosure prevention agency.

Approved Feb. 15 by the House Civil Justice Committee, it awaits action by the full House. A companion, SF2501, sponsored by Sen. Linda Scheid (DFL-Brooklyn Park), awaits action by the Senate Commerce and Consumer Protection Committee.

It would require that information be sent to the appropriate foreclosure prevention agency in a non-proprietary database or spreadsheet, when available. If possible, electronic transmittal of the database would occur by secure, encrypted e-mail.

The notice would also have to include contact information for an agent of the mortgagee who is authorized to negotiate a resolution with the mortgager, and contact information for the mortgagee's loss mitigation manager.

"In the third quarter of 2009, 18,000 pre-foreclosure notifications were sent back and forth between lenders, servicers, attorneys and counselors," Beckmann said. "Our hope on the counselor side, in both working particularly in Minneapolis but with the home ownership center network for the counselors across the state, is that we can get rid of the paper form and have all the information on the paper form move to the first transmittal of data, and have that first transmittal be electronic."

She said 80 percent of correspondence is now electronic, but there is no standard form or security guarantee.

— M. COOK

### **Nuisance property notification**

Dan Vieths and his wife had to file bankruptcy after a property deal went south.

Vieths and Rep. Mike Obermueller (DFL-Eagan) are working to make sure nobody else suffers the same fate.

Sponsored by Obermueller, HF2176 would require a seller of real property to disclose if it has been identified as a nuisance property.

"I call this the seller disclosure statement bill," he said. "Unless there's out-and-out fraud, you're unable to protect against things you're not informed of."

Heard Feb. 15 by the House Civil Justice Committee, it was held over so all sides could work together to reach consensus. It has no Senate companion.

Vieths purchased a Minneapolis apartment building in 2004. "Prior to closing, many calls were made to the city, utility companies and so forth. No work orders or special labels showed up in any research done by us or our realtor," he said.

After taking possession, he was informed by the city's Problem Property Task Force that the city was two weeks away from taking the building from its previous owners because it was labeled as one of the city's worst in terms of drugs, prostitution and other criminal activity. Additionally, a \$5,000 unfilled work order was now his responsibility.

"After consulting with multiple attorneys, we were given the same reply by each: that we had no recourse," Vieths said.

It took 18 months to purge the building of the criminal element, but the cost to do so wiped out the Vieths' finances.

Christine Berger, vice president of governmental relations for the Minnesota Association of Realtors, spoke against the bill.

Among her concerns, if a nuisance is a material fact it is already covered by current law, a two-year statute of limitations now exists and the bill's definition of nuisance is quite broad.

"The new disclosure this bill is suggesting would be precedent setting in that it creates a new list in statute of what is a material fact," she added. "Right now it just says all material facts have to be disclosed. ... When you start a list, where do you stop the list?"

— M. COOK

## **HUMAN SERVICES**

### **GAMC gets bipartisan approval**

A plan to create a temporary, scaled-back version of General Assistance Medical Care (GAMC) is on its way to the governor's desk.

The House passed an amended version of HF2680/SF2168\* in a 125-9 vote Feb. 18. Passed by the Senate on Feb. 11, it quickly repassed the bill 47-16 when it was returned from the House.

Sponsored by Rep. Erin Murphy (DFL-St. Paul) and Sen. Linda Berglin (DFL-Mpls), the bill would create a 16-month GAMC program providing continued coverage of basic medical services to eligible low-income Minnesotans.

The program would be funded by reduced reimbursement to health care providers, cuts to county social services grants and the draw-down of federal dollars. A controversial surcharge on hospitals and HMOs was eliminated in committee.

The legislation also proposes reforms in mental health care delivery and allows counties to serve GAMC enrollees through a coordinated care delivery option. The temporary program would begin March 1, 2010, a month before the current program is expected to run out of funding.

On the House floor, lawmakers debated whether reform measures proposed by Rep. Matt Dean (R-Dellwood) and Rep. Steve Gottwalt (R-St. Cloud) should be included in the bill. One provision would create health savings accounts for up to 1,000 enrollees in MinnesotaCare, the state health program designed for working families. The state would make capped contributions to the accounts, which enrollees would draw from to pay for private services.

"We believe that these reform pieces are necessary," Dean said. "We believe GAMC cannot continue into the next biennium. We need to reform that."

Dean successfully amended the bill to include establishment of a county-based group home program for childless adults. The second part of his amendment, which included the health savings accounts, failed.

Several legislators said they supported GAMC reform efforts, but believed the proposals needed further discussion in committee.

Gov. Tim Pawlenty has proposed transitioning GAMC participants into MinnesotaCare. Critics of the governor's proposal say GAMC enrollees, many of whom have a chronic mental illness, would not be able to pay the premiums and follow the re-enrollment procedures required under MinnesotaCare.

— L. RADOMSKI

### **Food Support eligibility plan on hold**

More Minnesotans would be eligible for the federal Food Support program, under a bill laid over for possible inclusion in an omnibus bill.

Rep. Patti Fritz (DFL-Faribault) sponsors HF453, which would eliminate a \$7,000 asset limit on households eligible for the program, formerly known as food stamps. Under the bill, households would need to make less than about \$30,000 annually to receive benefits; their assets would not count against their eligibility. While Food Support is a federally-funded program, states have the ability to restrict access.



PHOTO BY ANDREW VONBANK

**Alexandra Fitzsimmons, policy director for the Minnesota Catholic Conference, testifies before the House Health Care and Human Services Finance Division Feb. 16 in support of a bill that would modify MFIP and food stamp provisions.**

Speaking to the House Health Care and Human Services Finance Division Feb. 16, Fritz said the bill is targeted, in part, toward out-of-work, middle-class Minnesotans who need assistance as they try to get back on their feet. Only 60 percent of state residents who are eligible for the program are actually enrolled, she said, in part because of the stigma associated with public assistance.

Asset limits for Food Support are inconsistent with the Minnesota values of hard work and self-reliance, said Alexandra Fitzsimmons, policy director for the Minnesota Catholic Conference. Those limits punish families trying to maintain or achieve economic independence by building up their savings.

"Forcing individuals to spend down long-term savings to qualify for short-term assistance leaves individuals and families more vulnerable in the future," Fitzsimmons said.

Some division members said they were concerned about the lack of any asset limit, prompting a heated discussion on how to ensure benefits go to people who need them most. Rep. Laura Brod (R-New Prague) questioned whether dropping asset limits indefinitely would be sustainable.

"It is not compassionate to make promises

that a government knows it can't keep," Brod said.

"The point is we all care about people in need," said Rep. Steve Gottwalt (R-St. Cloud). "The question here is, 'What are we doing with a government program?'"

A companion, SF481, sponsored by Sen. Linda Berglin (DFL-Mpls), awaits action by the Senate Finance Committee.

— L. RADOMSKI

## HUMANITIES

### Minority councils get grim news

Although they receive only a sliver of the state's biennial budget, that amount keeps four state minority councils operating. However, proposed cuts call into question their abilities to keep focused on 14 percent of the state's population.

Along with most state agencies, the governor's supplemental budget proposes a 3 percent cut of unspent funds during this fiscal year to the Council on Black Minnesotans, Chicano Latino Affairs Council, Council on Asian-Pacific Minnesotans and the St. Paul office of the Indian Affairs Council. The groups are also expected to absorb a 6 percent to 9 percent cut in each of the ensuing three fiscal years.

This was part of what Rep. Mary Murphy (DFL-Hermantown) called the "grim news" for the House Cultural and Outdoor Resources Finance Division Feb. 17 as members reviewed budget cuts proposed for areas under their jurisdiction. No action was taken.

The 2009 Legislature asked for a study on whether it would make financial sense for the councils to collocate, and the impacts that collocation would have on each council's operations. The report, prepared by the Management Analysis Division of Minnesota Management & Budget, shows little savings would occur by collocating. Additionally the councils noted that client service and privacy, as well as council identity and autonomy are operational concerns.

Murphy, the division chairwoman, said results of a study could be a moot point.

"I wonder if the councils are going to be wondering if they could stay where they are at all because the knight was not kind," Murphy said. "The report, although very well done, doesn't help us much."

The governor's proposal acknowledges that council cuts, if enacted, would result in a reduction of staff hours and reductions to other operating expenses.

— L. SCHUTZ

## LOCAL GOVERNMENT

### Cuts cause city, county concerns

Gov. Tim Pawlenty's supplemental budget proposes \$250 million in state aid cuts to cities and counties. Local government representatives told the House Local Government Division Feb. 15, the day of the budget's release, they're still reeling from the cumulative effects of prior year cuts.

Mankato City Manager Pat Hentges said the city rolled back its 2010 budget to 2007 spending levels; eliminated most of its "livability" initiatives, such as arts funding, and "secondary" services, such as a recreational program at a nature center and a police school liaison; and eliminated about 10 percent of its workforce. The proposed new cuts, Hentges said, would require Mankato to eliminate another \$1.7 million, the equivalent of its snowplow, library and street lighting budgets. To compensate with property tax revenue would require an increase between 20 percent and 25 percent, he said.

Many small cities don't have much left to cut, said Floodwood Mayor Jeff Kletscher, first vice president of the Minnesota Association of Small Cities, nor do they have much of a tax base to tap. They're deferring maintenance, such as sidewalk, roof and road repairs, and energy-saving updates like insulation and new windows. "Cities across the state are being set up for major catastrophes as time goes on as we put off this maintenance," he said.

Minneapolis would lose the equivalent of more than one-third of the city's 2010 police budget of \$133 million, according to City Council Member Elizabeth Glidden. She said the proposed \$50.3 million in state aid cuts "really has the potential to change public service as we know it." She said Minneapolis, which has seen \$43 million in state aid cuts since 2008, recently laid off 60 civilian police workers.

The timing of recent cuts can also wreak havoc on the local budget process, according to Keith Carlson, executive director of the Minnesota Inter-County Association. Because local governments operate on a calendar year, decisions made late in the year can't be accommodated by local levy decisions, which might otherwise help compensate for state aid cuts.

Local governments are often exhorted to do "more with less," Carlson said. "I'm here to tell you we're doing less with less."

— K. BERGGREN

Watch for House Public Information Services  
updates at  
[www.twitter.com/MNHouseInfo](http://www.twitter.com/MNHouseInfo)

## MILITARY

### Designating American Legion Day

Heading to the House floor is a bill that would designate Sept. 16 as American Legion Day.

Sponsored by Rep. John Ward (DFL-Brainerd), HF2538 would "recognize the millions of American Legion veterans who have dedicated and continue to dedicate themselves to service of community, state and nation."

By designating a day for American Legion veterans, it's another way to "take a day to say thank you for your service," Ward said. His grandfather and father were both past commanders of American Legion posts, he said.

Sept. 16 commemorates the date in 1919 that Congress chartered the American Legion. Roger Ball, legislative chairman for Minnesota's fourth district of the American Legion, said, "In towns small and large, the American Legion is there to help veterans, their families and the children and youth of the community. It's not just what we do, it's who we are."

The House Agriculture, Rural Economies and Veterans Affairs Committee approved the bill Feb. 15. A companion, SF2528, sponsored by Sen. Paul Koering (R-Fort Ripley), awaits action by the Senate Agriculture and Veterans Committee.

— P. OSTBERG

If you have Internet access, visit the Legislature's Web page at: [www.leg.mn](http://www.leg.mn)

### Getting soldiers their extra pay

Thousands of the Minnesota's National Guard 34th Red Bull Infantry Division are still waiting for the extra pay they were promised by the federal government in October 2009.

In response, Rep. Phil Sterner (DFL-Rosemount) sponsors HF2908 that urges President Obama to order the secretary of defense and other responsible federal government officials to promptly issue their claim. The resolution states many soldiers are especially in need due to "the current economic and employment situation facing all veterans returning to the United States."

The House Agriculture, Rural Economies and Veterans Affairs Committee approved the resolution Feb. 15. It now goes to the House floor.

Col. Eric Ahlness, director of government relations for the Minnesota National Guard, said the resolution's intent is to bring the issue to the attention of federal leadership overseeing the payment of benefits in hopes it will expedite the process.

Congress enacted legislation in October 2009 authorizing implementation of the leave benefit pay. It was only recently that military leadership issued guidance on how to implement the process to pay soldiers for the months served between January and August of 2007, Ahlness said. Approximately 2,500 Minnesota soldiers qualify for the \$200 per day for an extra four months of military service.

Rep. Bob Dettmer (R-Forest Lake) said in a previous committee, "We need to send a message back to Washington that they need to clear this up as soon as possible."

A companion, SF2600, sponsored by Sen. Sharon Erickson Ropes (DFL-Winona), awaits action by the Senate Agriculture and Veterans Committee.

— P. OSTBERG

### Veterans' small business preference

Military veterans who own small businesses would be given preference in bidding for state contracts for goods and services, under a bill approved by the House Agriculture, Rural Economies and Veterans Affairs Committee Feb. 15.

Sponsored by Rep. Dan Severson (R-Sauk Rapids), HF2809 would expand the preference from women, minorities, the disabled and those that served in active service since Sept. 11 to include all military veterans. The bill caps the total number of veterans' preference contracts at 6 percent.

A similarly focused bill passed last year, but was revised to only include those who became veterans after Sept. 11, Severson said. "We have received correspondence from some Vietnam veterans, some Desert Storm, Gulf War veterans who say, 'Why are you discriminating against us?'" he said.

Opponents may say there isn't enough room for both veteran's companies and those already considered, but current businesses only comprise about 2.5 percent of contracts awarded, Severson said. "I think there is plenty for everyone."

"It's not giving them a job, it's just letting them be able to bid on the job," said Jerry Kyser, vice chairman of the United Veterans Legislative Council of Minnesota. While current law allows younger veterans to take advantage of the preference, many of those younger veterans don't own a business capable of handling a state contract, he said.

The bill now goes to the House Finance Committee. There is no Senate companion.

— P. OSTBERG



PHOTO BY ANDREW VONBANK

Rep. Phil Sterner, whose district includes the Rosemount National Guard Armory and Community Center, recognizes the command staff of the 34th Red Bull Infantry Division Feb. 12 on the House floor. The division is based at the Rosemount facility. Red Bulls in attendance are, from left: Maj. Gen. Richard Nash, Brig. Gen. David Elicerio, Command Sgt. Maj. Doug Julin, Col. Neal Loidolt, Col. Dirk Kloss, Lt. Col. Stefanie Horvat and Lt. Col. John Morris.

## SAFETY

### Keeping everyone plowed out

Insolvent developers or those facing foreclosure who let snow accumulate in their uncompleted subdivisions leave those first few residents on the street vulnerable.

Unmaintained roads jeopardize public access to school buses and emergency vehicles, said Rep. Mike Nelson (DFL-Brooklyn Park). He sponsors HF2231 that would transfer snow removal duties to local road authorities if developers refuse to clear streets under their purview. The House Transportation and Transit Policy and Oversight Division approved the bill Feb. 17 and referred it to



the House Civil Justice Committee.

The bill would let local authorities begin snow removal in delinquent subdivisions where there are at least five lots. Cities or counties could charge the properties within the subdivision a reasonable fee for the service. A lien may be placed upon the properties if the snow removal charges remain unpaid. The bill applies only to insolvent developers or those facing foreclosure that have not yet turned the road over to the local authorities.

Sen. Ken Kelash (DFL-Mpls) sponsors a companion bill, SF2004, which awaits action by the Senate Transportation Committee.

— S. HEGARTY

### Don't darken the window too much

Anyone who tries to sell or apply window glazes to motor vehicles that do not comply with Minnesota law could face misdemeanor charges, according to a bill approved Feb. 17 by the House Transportation and Transit Policy and Oversight Division.

Sponsored by Rep. Carlos Mariani (DFL-St. Paul), HF2914 was referred to the House Commerce and Labor Committee. Sen. Sandy Pappas (DFL-St. Paul) sponsors a companion, SF2370, which awaits action by the Senate Transportation Committee.

Mariani said the issue arose from a constituent who said her son paid a company to apply the darkest tint available even though state law prohibits darker tints. Subsequently, he was stopped and ticketed by St. Paul police. Upon further study, the parent discovered that it is not illegal for tint companies to "install" the darker glazes.

States differ in the degree of tinting allowed on vehicle windows. The proposed legislation would prohibit applying darker tints regardless of where the vehicle is licensed or primarily driven. Current law prohibits tinting which results in a light transmittance of less than 50 percent or a reflectance of more than 20 percent.

Car dealers are already prohibited from selling vehicles with non-conforming window tints.

— S. HEGARTY

## TECHNOLOGY

### High-speed Internet for all

A recommendation to provide high-speed Internet access to every Minnesotan by 2015 is on track to becoming an official state goal.

Sponsored by Rep. Sheldon Johnson (DFL-St. Paul), HF2907 calls for Minnesota to transform itself into a national and international leader in providing broadband access. The House Telecommunications

Regulation and Infrastructure Division approved the bill Feb. 12, and sent it to the House Commerce and Labor Committee.

The bill calls for a boost in speed: no less than 10 megabits per second for downloads and five megabits per second for uploads for every user in the state. In addition, it states that Minnesota should rank among the top five U.S. states for both speed and access to broadband Internet, and rank comparatively to the top 15 nations globally for broadband access.

Johnson said the bill is based on the recommendations contained in the Minnesota Ultra High-Speed Broadband Task Force final report. Rick King, former chairman of the task force and chief technology officer for Thomson Reuters North American Legal, said Minnesota currently ranks about 24th in the nation in providing high-speed Internet access.

"High-speed broadband has the potential to unlock enormous economic growth in the state," King said. He added that 80 percent of the state's economy is tied to "knowledge and service industries" that would benefit from better Internet connectivity.

King said the bill's stated goals for download and upload speeds represent the "minimum support" for transmission of two-way, high-definition video — something he said will enable health care providers to improve their services.

Under the bill's provisions, the Commerce Department would be required to submit annual reports to the Legislature on progress made toward reaching the goals. Additionally, the bill would establish a 15-member Broadband Goal Advisory Group to advise the department and the Legislature on broadband issues.

A companion, SF2254, sponsored by Yvonne Prettner Solon (DFL-Duluth), awaits action by the Senate Energy, Utilities, Technology and Communications Committee.

— N. BUSSE

### A 'crisis of competitiveness?'

Minnesota faces a "crisis of competitiveness" in attracting high-tech industries, and needs a comprehensive science and technology initiative to remedy the problem.

That was the message from members of an advisory group at a hearing of the House Bioscience and Workforce Development Policy and Oversight Division on Feb. 16. No action was taken.

"Minnesota once led, but by now we are losing our prominence in science and technology innovation," said Dan Mallin, co-chair of the Minnesota Science and Technology Economic Development Project.

Mallin said Minnesota is "far behind" other states in establishing policies and programs that promote growth in high-tech business. He recommends the state establish and fund a permanent organization to facilitate that growth, and provide incentives like tax credits for angel investment, research and development and similar activities.

"Minnesota must have a plan and a strategy, and to do this requires a permanent structure to guide the effort," Mallin said.

Some division members questioned the feasibility of funding a new economic development initiative at a time when the state is struggling to fund its current programs. Rep. Bill Hilty (DFL-Finlayson) commented that Mallin's message amounted to asking the state to reduce its revenues and increase spending at the same time.

Rep. Ryan Winkler (DFL-Golden Valley) questioned whether there is enough evidence that programs like angel investment tax credits actually work to justify the cost.

"Before we engage in this effort of creating a new institution, of investing in tax credits, I think more evidence needs to be brought to the table to support that," he said.

The Minnesota Science and Technology Economic Development Project was a joint public-private effort commissioned by the Legislature in 2009. It released a report Jan. 15 on how to boost science and technology-based business growth in the state. The report is available on the Department of Employment and Economic Development Web site.

— N. BUSSE

## TRANSPORTATION

### Complete streets idea incomplete

Imagine streets that take into account the needs of motorists, cyclists, pedestrians and even people with special needs. Rep. Mike Obermueller (DFL-Eagan) sponsors HF2801 that would put the "Complete Streets" concept into first gear.

The bill would push the state toward a policy that would, during the design phase of any state-aid funded road project, take into consideration the impact the roadway would have on the people who use it, and the impact on the areas that it passes through.

The bill calls for the Department of Transportation to develop and implement a policy with a goal of developing a balanced transportation system, Obermueller told the House Transportation Finance and Policy Division Feb. 16.

"There are a lot of different people who interact with our roads. Certainly there's cars ... we have transit issues, and we have a lot of

people who interact with our roads in terms of riding a bike, trying to cross a road if you are senior, or a kid,” Obermueller said. He stressed that this would not be a mandate for local governments, but it would be for MnDOT.

Division members had plenty of questions about potential costs, the practicality of the policy’s implementation and if there was an implied mandate for local governments because many times state aid is used when improving the trunk highway system.

Rep. Michael Beard (R-Shakopee) said use of trunk highway funds for wider streets, more sidewalks or bike trails would create an added cost for the state.

“It strikes me as if this is another little hole punched in the bucket called the trunk highway fund,” which, he said, is constitutionally dedicated for road construction.

Because a fiscal note was not available at the hearing, Rep. Bernie Lieder (DFL-Crookston), the division chairman, laid the bill over for further consideration. A companion, SF2461, sponsored by Sen. Tony Lourey (DFL-Kerrick), awaits action by the Senate Transportation Committee.

— L. SCHUTZ

### Intersection reconstruction gets OK

**Signed  
by  
the  
governor**

A pilot project using a comprehensive method for taking road projects from design to completion made it to law after a nine-month delay.

Passed as amended by the House last year on the session’s final day, time

ran out before the Senate could concur with the changes. It did so Feb. 8. The bill was signed by the governor Feb. 11, and took effect the next day.

Sponsored by Rep. Jim Abeler (R-Anoka) and Sen. Michael Jungbauer (R-East Bethel), the law allows for reconstruction of the Trunk Highway 10 and Anoka County State-Aid Highway 83 intersection in Anoka County using the design-build construction process. The law is similar to previous statutory authorization for Hennepin County.

Under the law, the county must employ at least one architect, mechanical engineer, civil engineer and a full-time project manager with at least five years of construction management experience; adopt implementation procedures to establish an advisory panel; and define standards for a request for proposals, for proposal evaluation and for the award and execution of the design-build project.

HF1074/SF740\*/ CH181

— L. SCHUTZ

### Grants sought for rail safety

The state could improve its railways by grants offered through the Federal Railroad Safety Enhancement Act of 2008.

Rep. Mike Nelson (DFL-Brooklyn Park) sponsors HF1467 that would direct the Department of Transportation to apply for grants, when available, by soliciting and prioritizing requests from eligible railroads for installation of switch indicator signals where posted speeds are greater than 20 mph.

Approved by the House Finance Committee Feb. 15, the bill awaits action by the House Ways and Means Committee.

Minnesota has 1,200 miles of non-signalized track in 40-50 mph zones, and this bill would enhance rail safety, Phillip Qualy, state legislative director for the United Transportation Union, told the committee in 2009.

Participating railroads would be required to provide the 20 percent nonfederal match; provide the commissioner with technical documentation; and install the rail safety technology.

The bill was included in last year’s omnibus transportation policy bill that was vetoed by the governor.

A companion, SF1674, sponsored by Sen. Ken Kelash (DFL-Mpls), awaits action in the Senate Finance Committee.

— L. SCHUTZ

### Where to find information

#### House Public Information Services

175 State Office Building  
651-296-2146 or 800-657-3550

House Public Information Services is a nonpartisan office that provides committee meeting schedules; legislator information; and publications, including Session Weekly newsmagazine, educational brochures, and member directories.

## MODEL CITIZENS



PHOTO BY TOM OLMSCHIED

Junior Girl Scouts from Troop 11541 in St. Michael use the railing on the second floor of the Rotunda to spread out a search for art and architecture of the Capitol during a scavenger hunt to acquire their model citizen badge.



# Budget battle begins

DFL lawmakers say governor's budget plan is incomplete, call for 'Plan B'

By Nick Busse

**I**f the conflict over how to solve the state's projected \$1.2 billion deficit amounts to a kind of political chess match, Gov. Tim Pawlenty just made the first move — but DFL leaders say he's cheating.

On Feb. 15, Pawlenty outlined his vision for a biennial budget fix. The governor's supplemental budget proposal calls for deep cuts to some state programs, a package of tax cuts for businesses and some help from the federal government.

"Minnesota has experienced a multi-billion dollar drop in revenues as a result of the economy," Pawlenty said at a press conference. "Spending expectations and requirements need to be aligned with the revenue that's currently available."

Under the plan, K-12 education, public

safety and veterans services would be largely spared from the governor's budget ax. Instead, Pawlenty calls for cuts in four key areas:

- \$347 million to health and human services programs;
- \$250 million to county and city aid;
- \$181 million to state agencies; and
- \$47 million to higher education.

Pawlenty's plan also calls for a 20 percent corporate tax cut, a 20 percent reduction in small business taxes and several other tax incentives designed to encourage economic growth.

The final part of the governor's plan — the part that has rankled members of the House's DFL majority — is a plan to accept \$387 million in expanded federal funding for Medicaid. The problem, Democrats say, is that the funding hasn't actually been approved yet by Congress.

"At any time in history, has any other governor proposed a budget that relies on hypothetical federal funding?" asked Rep. Thomas Huntley (DFL-Duluth).

At a joint meeting of the House Finance and Ways and Means committees Feb. 16, Huntley and other DFLers vented their frustrations with the governor's budget plan to senior Minnesota Management & Budget staff.

Rep. Lyndon Carlson, Sr. (DFL-Crystal), finance committee chairman, asked MMB Commissioner Tom Hanson what the governor would do if the federal Medicaid extension doesn't become law.

"What we're really interested in ... is what



PHOTO BY TOM OLMSCHIED

Gov. Tim Pawlenty releases his supplemental budget proposal at a Feb. 15 news conference.





PHOTO BY TOM OLMSCHIED

**Prior to a Feb. 16 hearing of the LCPFP Subcommittee on a Balanced Budget, House Finance Committee Chairman Rep. Lyndon Carlson, Sr., center, listens as he and Senate Majority Leader Larry Pogemiller, right, question Minnesota Management & Budget Commissioner Tom Hanson on the use of federal funds to balance Gov. Tim Pawlenty's supplemental budget proposal.**

I called this morning 'Plan B' — what you would do if the \$387 (million) is not there," Carlson said.

Hanson replied that there is no "Plan B." If the Medicaid extension falls through, the governor will propose additional cuts — but there are no plans currently to specify what those cuts might be.

House Republicans defended the governor's plan. Rep. Mary Liz Holberg (R-Lakeville) reminded Democrats that they too had proposed a state budget based on speculative funding sources — namely, on tax increases the governor had promised to veto.

"It is a matter of perspective," Holberg said. "They've chosen to include (the federal funding) in their budget. Last spring, the Democrats decided to include tax increases in balancing their budget, even though every indication was that it would never become law."

To that point, Rep. Alice Hausman (DFL-St. Paul) argued that Pawlenty's numerous vetoes of DFL proposals made it all the more important to know what his budget plan will be if the federal money falls through.

"We don't have a lot of time here, and when (the governor) has such strong feelings, and anything counter is met with a veto threat, then we do keep seeking information," Hausman said.

### Looking for common ground

DFL leaders said they will release their own budget plan sometime after the release of the February budget forecast, scheduled for March 2. For now, Pawlenty's proposal has given them plenty to chew on.

"It looks to me that the governor is cutting some important areas," House Majority Leader Tony Sertich (DFL-Chisholm) said at a Feb. 15 press conference.

Sertich indicated a couple of likely points

of contention in future budget negotiations between legislative leaders and the governor. He singled out the local government aid cuts as being particularly harmful, potentially forcing cities and counties to cut essential services like police and fire. Also, noting that the governor's own estimate is that 40,000 Minnesotans would be impacted by the

health and human services cuts, he said that is another likely source of disagreement.

House Speaker Margaret Anderson Kelliher (DFL-Mpls) indicated that filling the state's budget gap might involve several steps, and that DFL leaders may look to enact some spending reductions relatively early on in the session.

"We're going to do some work here early, before the February forecast comes out," she said. "We're going to try to make that problem be a smaller problem after we get that forecast, and then we'll go from there."

Senate Majority Leader Larry Pogemiller (DFL-Mpls) gave some clues as to where DFLers might find common ground with the governor at a Feb. 16 hearing. Speaking to his fellow members of the Legislative Commission on Planning and Fiscal Policy's Subcommittee on a Balanced Budget, Pogemiller said the governor's proposed cuts to higher education, state agencies and health and human services were all on the table — from the Senate's perspective, at least.

Whatever ultimately happens, all parties seem to be in agreement about one basic fact: it is not a fun situation to be in.

"The list of options to resolve a \$1.2 billion deficit after years of declining revenue is incredibly imperfect," Hanson said. 🐻

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***"The list of options to resolve a \$1.2 billion deficit after years of declining revenue is incredibly imperfect,"***

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— Tom Hanson  
Management & Budget Commissioner

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# How a Bill Becomes

## Idea

**1** A bill is an idea for a new law or an idea to change an old law. Anyone can suggest an idea for a bill — an individual, consumer group, professional association, government agency or the governor. Most often, however, ideas come from legislators, the only ones who can begin to move an idea through the process. There are 134 House members and 67 senators.

## Legal form

**2** The Office of the Revisor of Statutes and staff from other legislative offices work with legislators in putting the idea for a new law into proper legal form. The revisor's office is responsible for assuring that the proposal's form complies with the rules of both bodies before the bill is introduced into the Minnesota House of Representatives and the Minnesota Senate.

## Sponsors

**3** Each bill must have a legislator to sponsor and introduce it in the Legislature. That legislator's name appears on the bill along with the bill's file number to identify it as it moves through the legislative process. There may be up to 34 co-sponsors from the House and four from the Senate. Their names also appear on the bill.

## General Register

**7** In the House, the General Register serves as a parking lot where bills await action by the full body. Bills chosen to appear on the Consent Calendar, Calendar for the Day or the Fiscal Calendar are drawn from the General Register.

In the Senate, a different procedure is used. Bills are listed on the General Orders agenda. Senate members, acting as the "committee of the whole," have a chance to debate the issue and offer amendments on the bill. Afterwards, they vote to recommend: passage of the bill, progress (delay action) or further committee action. And sometimes they recommend that a bill not pass. From here, the bill is placed on the Calendar.

## Calendar for the Day

**8** In the House, the Calendar for the Day is a list of bills the House Rules and Legislative Administration Committee has designated for the full House to vote on. Members can vote to amend the bill, and after amendments are dispensed with, the bill is given its *third reading* before the vote of the full body is taken. The House also has a Fiscal Calendar, on which the chair of the House Ways and Means Committee or House Taxes Committee can call up for consideration any tax or finance bill that has had a second reading. The bills are debated, amended and passed in one day.

In the Senate, bills approved by the "committee of the whole" are placed on the Calendar. At this point, the bill has its *third reading*, after which time the bill cannot be amended unless the entire body agrees to it. Toward the end of the session, the Senate Committee on Rules and Administration designates bills from the General Orders calendar to receive priority consideration. These Special Orders bills are debated, amended and passed in one day.

A bill needs 68 votes to pass the House and 34 votes to pass the Senate. If the House and Senate each pass the same version of the bill, it goes to the governor for a signature.



# a Law in Minnesota

## Introduction

**4** The chief House sponsor of the bill introduces it in the House; the chief Senate sponsor introduces it in the Senate. Identical bills introduced in each body are called *companion* bills. The bill introduction is called the *first reading*. The presiding officer of the House then refers it to an appropriate House committee for discussion; the same thing happens in the Senate.

## Committee

**5** The bill is discussed in one or more committees depending upon the subject matter. After discussion, committee members recommend action — approval or disapproval — to the full House and full Senate. The House committee then sends a report to the House about its action on the bill; the Senate committee does likewise in the Senate.

## Floor

**6** After the full House or Senate accepts the committee report, the bill has its *second reading* and is placed on the House agenda called the General Register or the Senate agenda called General Orders. (A committee can recommend that non-controversial bills bypass the General Register or General Orders and go onto the Consent Calendar, where bills usually pass without debate.) After this point, House and Senate procedures differ slightly.

## Conference

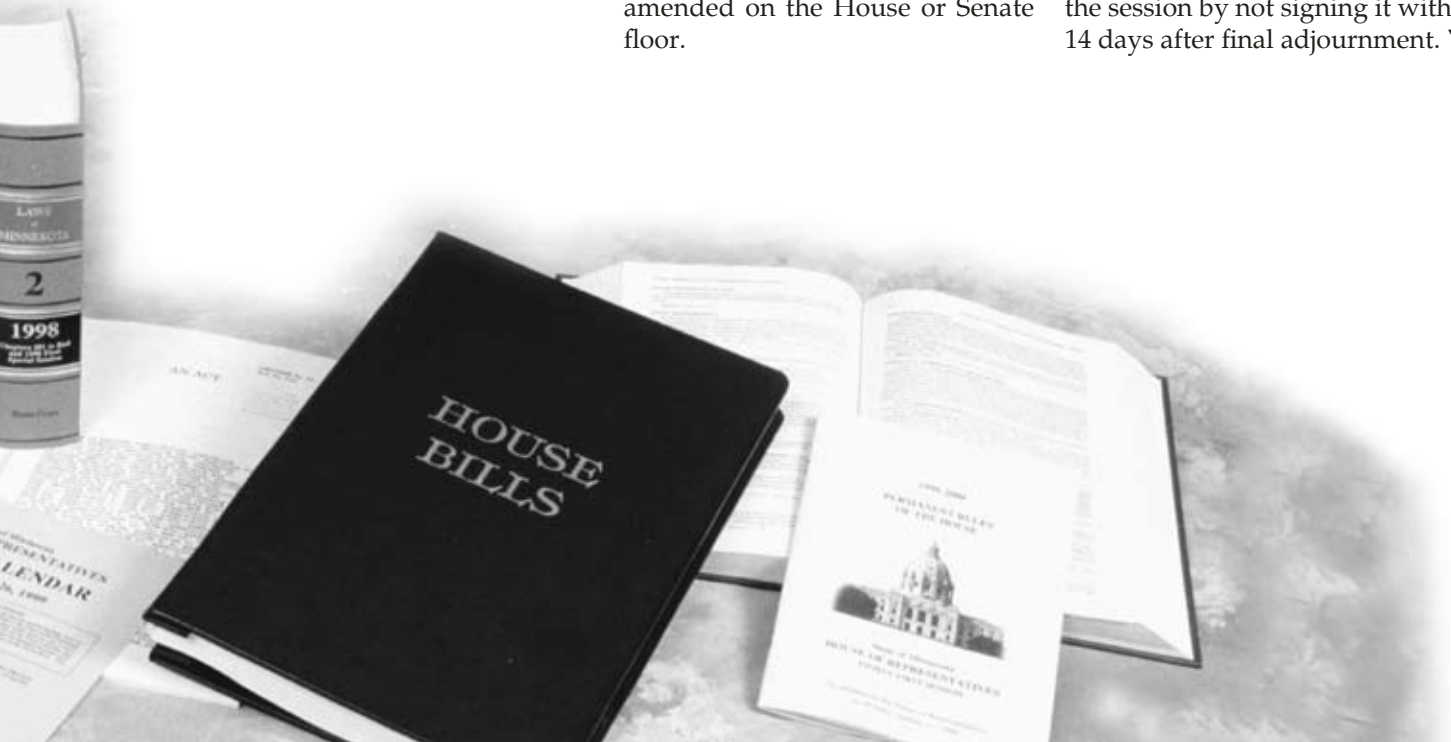
**9** If the House and Senate versions of the bill are different, they go to a conference committee. In the House, the speaker appoints three or five representatives, and in the Senate, the Subcommittee on Committees of the Committee on Rules and Administration selects the same number of senators to form the committee. The committee meets to work out differences in the two bills and to reach a compromise.

## Floor

**10** The conference committee's compromise bill then goes back to the House and the Senate for another vote. If both bodies pass the bill in this form, it is sent to the governor for approval or disapproval. (If one or both bodies reject the report, it goes back to the conference committee for further consideration.) A conference committee report cannot be amended on the House or Senate floor.

## Governor

**11** Once the governor has the bill, he or she may: sign it, and the bill becomes law; veto it within three days; or allow it to become law by not signing it. During session, the House and Senate can override a governor's veto. This requires a two-thirds vote in the House (90 votes) and Senate (45 votes). The governor also may "line-item veto" parts of a money bill, or "pocket veto" a bill passed during the last three days of the session by not signing it within 14 days after final adjournment. ▼





## Friday, Feb. 12

### **HF2918-Greiling (DFL)** **Commerce & Labor**

Beverage production in basements authorized, and commissioner of agriculture directed to amend Minnesota rules.

### **HF2919-Anderson, S. (R)** **Finance**

Balanced budget required prior to passage of other legislation.

### **HF2920-Welti (DFL)** **Transportation & Transit Policy & Oversight Division**

Motor vehicle definition clarified.

### **HF2921-Hornstein (DFL)** **Transportation & Transit Policy & Oversight Division**

Moratorium imposed on electronic advertising devices.

### **HF2922-Thissen (DFL)** **State & Local Government** **Operations Reform, Technology & Elections**

Minneapolis Employees Retirement Fund; administrative functions transferred to the Public Employees Retirement Association and consolidation account created within the Public Employees Retirement Association.

### **HF2923-Johnson (DFL)** **Finance**

Ramsey County; mothers first program funding provided.

### **HF2924-Hayden (DFL)** **Finance**

Matching funds restored for county financial workers.

### **HF2925-Kath (DFL)** **Finance**

Certain public facilities programs amended and technical changes made.

### **HF2926-Hosch (DFL)** **Health Care & Human Services** **Policy & Oversight**

Mental health policy provisions for children amended and community health worker technical changes made.

### **HF2927-Thissen (DFL)** **Health Care & Human Services** **Policy & Oversight**

Health care clearinghouse added for health care provider transactions.

### **HF2928-Champion (DFL)** **State & Local Government** **Operations Reform, Technology & Elections**

Juneteenth observance governing provisions modified.

### **HF2929-Kelly (R)** **Finance**

Red Wing; Red Wing River Way Trail funding provided.

### **HF2930-Hamilton (R)** **Finance**

Korean Defense Service Medal recipients special license plate created.

### **HF2931-Eastlund (R)** **Finance**

Cambridge; municipal bridge replacement funding provided.

### **HF2932-Jackson (DFL)** **Finance**

Aquatic and wildlife management areas and critical habitat funding provided.

### **HF2933-Hansen (DFL)** **State & Local Government** **Operations Reform, Technology & Elections**

Overseas absentee ballot waiver application required.

### **HF2934-Slocum (DFL)** **Finance**

Hennepin County; Fort Snelling Upper Bluff emergency building stabilization funding provided.

### **HF2935-Demmer (R)** **Environment Policy & Oversight**

Conveyance of certain surplus state land authorized.

### **HF2936-Morrow (DFL)** **Public Safety Policy & Oversight**

Careless driving resulting in death penalty provided.

### **HF2937-Hortman (DFL)** **Finance**

Passenger rail project annual report to Legislature required.

### **HF2938-Thissen (DFL)** **Health Care & Human Services** **Policy & Oversight**

Persons with disabilities licensure programs and provisions modified.

### **HF2939-Hosch (DFL)** **Public Safety Policy & Oversight**

Protective agents authorized to use flashing lights in certain traffic situations.

### **HF2940-Loeffler (DFL)** **Finance**

Prohibition repealed on using a broker to coordinate Medical Assistance-covered transportation services.

### **HF2941-Anzelc (DFL)** **Health Care & Human Services** **Policy & Oversight**

Dental insurance provider agreements regulated.

### **HF2942-Atkins (DFL)** **Commerce & Labor**

Various licenses and other entities regulated; informational requirements modified; education and notice requirements continued; various housekeeping, technical, and clarifying changes made; various provisions reorganized relating to real estate brokers, salespersons and closing agents; and real estate appraiser advisory board membership requirements and appointment authority modified.

### **HF2943-Sterner (DFL)** **Finance**

Army National Guard members funding provided for payments to satisfy federal obligations.

### **HF2944-Greiling (DFL)** **Finance**

School finance system modified, new education funding framework created, and income tax schedule changes made.

### **HF2945-Mahoney (DFL)** **State & Local Government** **Operations Reform, Technology & Elections**

State Building Code municipal enforcement provisions modified.

## Monday, Feb. 15

### **HF2946-Kalin (DFL)** **Higher Education & Workforce** **Development Finance & Policy** **Division**

Public infrastructure for bioscience businesses expanded to include clean energy businesses.

### **HF2947-Beard (R)** **Finance**

Certain carryforward authority provided to the Office of the Legislative Auditor.

### **HF2948-Koenen (DFL)** **K-12 Education Policy & Oversight**

Contract deadline exception created to the contract deadline penalty for certain school districts.

### **HF2949-Gardner (DFL)** **State & Local Government** **Operations Reform, Technology & Elections**

Treatment works allocation and interceptors reserved capacity costs provisions modified.

### **HF2950-Atkins (DFL)** **Public Safety Policy & Oversight**

Deceptive practices prohibited in the sale of event tickets.

### **HF2951-Kahn (DFL)** **State & Local Government** **Operations Reform, Technology & Elections**

Teachers retirement funds, contribution rates, state aid amounts, annuity formulas and fiduciary responsibilities regulated and adjusted.

### **HF2952-Murphy, M. (DFL)** **State & Local Government** **Operations Reform, Technology & Elections**

State employees retirement plan contribution rates increased, interest rates on refunds and certain benefit accrual rates reduced, vesting requirements and early retirement reduction rates increased and certain amortization periods extended.

### **HF2953-Murphy, M. (DFL)** **State & Local Government** **Operations Reform, Technology & Elections**

Teachers Retirement Association member and employer contribution rates increased, postretirement adjustment amounts suspended and temporarily reduced, and interest on refunds reduced.

### **HF2954-Dill (DFL)** **Environment Policy & Oversight**

General burning permits provided, forestry service fees establishment authority modified, timber sales provisions modified and certain pilot projects and reports eliminated.

### **HF2955-Dill (DFL)** **Environment Policy & Oversight**

Deer killed by a motor vehicle permitted to be kept by the driver.

### **HF2956-Koenen (DFL)** **Transportation & Transit Policy & Oversight Division**

Indian tribal government authorized conveyance of land no longer needed for trunk highway purposes.

### **HF2957-Koenen (DFL)** **Environment Policy & Oversight**

Indian tribal governments exempted from registering or licensing watercraft, off-highway vehicles and snowmobiles.

**HF2958-Pelowski (DFL)**  
**State & Local Government**  
**Operations Reform, Technology**  
**& Elections**  
Open Meeting Law changed.

**HF2959-Lesch (DFL)**  
**Health Care & Human Services**  
**Policy & Oversight**  
Sick leave for certain workers standards established, civil penalties provided and rulemaking required.

**HF2960-Paymar (DFL)**  
**Public Safety Policy & Oversight**  
Background check required for transfer of a firearm at a gun show and penalty provided.

**HF2961-Fritz (DFL)**  
**Finance**  
Steele County; Stagecoach Trail acquisition funding provided.

**HF2962-Fritz (DFL)**  
**K-12 Education Policy & Oversight**  
Minnesota Academy for the Deaf and Minnesota Academy for the Blind provided trial placement.

**HF2963-Fritz (DFL)**  
**Transportation & Transit Policy**  
**& Oversight Division**  
Steele County; speed limit set on portion of County Highway 19.

**HF2964-Fritz (DFL)**  
**State & Local Government**  
**Operations Reform, Technology**  
**& Elections**  
United States Mission to the United Nations urged to create the position of youth delegate.

**HF2965-Paymar (DFL)**  
**Public Safety Policy & Oversight**  
Gang and drug task forces certification process established, criminal gang investigative data systems creation authority established, certain entities dissolved and forfeiture reporting requirements amended.

**HF2966-Norton (DFL)**  
**K-12 Education Policy & Oversight**  
School calendar restrictions amended.

**HF2967-Scalze (DFL)**  
**Civil Justice**  
Augmented estate composition modified.

**HF2968-Peterson (DFL)**  
**Environment Policy & Oversight**  
Environmentally sensitive cleaning products required to be used in public buildings, and guidelines and a task force established.

**HF2969-Ruud (DFL)**  
**Health Care & Human Services**  
**Policy & Oversight**  
Licensing provisions made technical changes.

**HF2970-Jackson (DFL)**  
**Civil Justice**  
Revisor's bill correcting erroneous, ambiguous and omitted text and obsolete references; eliminating redundant, conflicting and superseded provisions; and making miscellaneous technical corrections to laws and statutes.

**HF2971-Lenczewski (DFL)**  
**Taxes**  
Tax provisions changed and modified relating to individual income, corporate franchise, estate, sales and use, gross receipts, cigarette, tobacco, insurance, property, credits, payments, minerals, local government aid, job opportunity building zones, emergency debt certificates and various taxes and tax-related provisions.

**HF2972-Lenczewski (DFL)**  
**Taxes**  
Taxation; policy, technical, administrative and clarifying changes made relating to individual income, corporate franchise, sale and use, property, petroleum, cigarette, tobacco, insurance, local taxes, and other taxes and tax-related provisions.

**HF2973-Murphy, E. (DFL)**  
**Commerce & Labor**  
University of St. Thomas on-sale liquor license authorized.

**HF2974-Atkins (DFL)**  
**Commerce & Labor**  
State fair allowed to issue liquor licenses.

**HF2975-Lanning (R)**  
**Public Safety Policy & Oversight**  
Salvia divinorum sale and possession crime established, and penalty provided.

**HF2976-Sertich (DFL)**  
**Taxes**  
Apprenticeship training facilities exemption modified relating to property taxation.

**HF2977-Thissen (DFL)**  
**Finance**  
Home rule charter and statutory cities authorized to make loans to property owners who install energy efficient or renewable energy improvements; repayment authorized through a special assessment collected through the property tax; revenue bonds authorized to fund the program.

**HF2978-Rosenthal (DFL)**  
**Public Safety Policy & Oversight**  
First-degree driving while impaired crime amended to include prior felony convictions from other states.

**HF2979-Rosenthal (DFL)**  
**Public Safety Policy & Oversight**  
Alcohol concentration lowered from 0.20 percent to 0.16 percent for an aggravating factor under DWI law.

**HF2980-Drazkowski (R)**  
**Finance**  
Lake Zumbro and Schmidt Lake restoration funding provided.

**HF2981-Bly (DFL)**  
**K-12 Education Policy & Oversight**  
MNovate Commission established to assist the governor, Legislature, the commissioner of education and learning communities of Minnesota.

**HF2982-Reinert (DFL)**  
**Commerce & Labor**  
Off-sale intoxicating liquor sales modified.

**HF2983-Eastlund (R)**  
**Taxes**  
Green Acres program and agricultural classifications made in 2008 and 2009 changes repealed.

**HF2984-Kahn (DFL)**  
**Commerce & Labor**  
State Lottery authorized to offer games involving sports wagering and sports wagering pools, sports bookmaking authorized under licenses issued by the lottery director, and tax imposed on licensed sports bookmaking.

**HF2985-Clark (DFL)**  
**Civil Justice**  
Imposition of a late fee prohibited except in specified circumstances, receipt required for certain rent payments, tenant permitted to make emergency repairs and other laws modified related to a rental agreement.

**HF2986-Hornstein (DFL)**  
**Health Care & Human Services**  
**Policy & Oversight**  
Responsible family life and sexuality education program created.

**HF2987-Paymar (DFL)**  
**Public Safety Policy & Oversight**  
Open alcohol container law expanded to apply to off-road recreational vehicles.

**HF2988-Pelowski (DFL)**  
**Civil Justice**  
Minnesota Data Practices Act provision added on computer data, and state agency use of temporary session cookies on government Web sites clarified.

**HF2989-Liebling (DFL)**  
**Public Safety Policy & Oversight**  
Forfeiture provisions recodified and consolidated while making numerous substantive and technical changes.

## Tuesday, Feb. 16

**HF2990-Hilstrom (DFL)**  
**Civil Justice**  
State guardian ad litem board established.

**HF2991-Hilstrom (DFL)**  
**Public Safety Policy & Oversight**  
Court authorized to furnish any electronic copies of documents to public defender at no charge.

**HF2992-Champion (DFL)**  
**Public Safety Policy & Oversight**  
Human Rights Act made technical amendments.

**HF2993-Winkler (DFL)**  
**State & Local Government**  
**Operations Reform, Technology**  
**& Elections**  
Public debt provided to be incurred for public information technology systems, licenses and infrastructure; constitutional amendment proposed.

**HF2994-Nelson (DFL)**  
**Finance**  
School districts allowed to use health and safety levy for costs associated with preparing for seasonal virus prevention.

**HF2995-Tillberry (DFL)**  
**Health Care & Human Services**  
**Policy & Oversight**  
Diagnosis qualifications of attention deficit disorder or attention deficit hyperactivity disorder expanded.

**HF2996-Mullery (DFL)**  
**Civil Justice**  
Notice and other actions required before a civil action or arbitration proceeding may be commenced to collect a purchased debt, default judgments regulated and criminal penalties provided.

**HF2997-Kahn (DFL)**  
**Agriculture, Rural Economies & Veterans Affairs**  
Regulated production provided of medical marijuana for export and rulemaking authorized.

**HF2998-Jackson (DFL)**  
**Public Safety Policy & Oversight**  
Area for protection extended to a reasonable area around residence or dwelling in ex parte order for protection.

**HF2999-Murphy, M. (DFL)**  
**State & Local Government Operations Reform, Technology & Elections**  
Public Employees Retirement Association plan provisions amended, terms defined, contribution and interest rates adjusted; vesting requirements modified; postretirement adjustments provided; and privatized hospital employee election eliminated.

**HF3000-Howes (R)**  
**K-12 Education Policy & Oversight**  
Pre-Labor Day start date prohibited for flexible learning year programs.

**HF3001-Downey (R)**  
**K-12 Education Policy & Oversight**  
Binding arbitration agreement required before teacher strike.

**HF3002-Gottwalt (R)**  
**Commerce & Labor**  
Licensure created for wine educators.

**HF3003-Buesgens (R)**  
**Finance**  
Number of public school pupils covered by the permanent school fund endowment apportionment expanded.

**HF3004-Buesgens (R)**  
**K-12 Education Policy & Oversight**  
Election provided to determine whether to detach land from an existing school district for a new independent school district.

**HF3005-Thao (DFL)**  
**Environment Policy & Oversight**  
Drum use allowed while baiting bear.

**HF3006-Davids (R)**  
**Finance**  
Fillmore County; veteran's cemeteries appropriation modified.

**HF3007-Dittrich (DFL)**  
**Taxes**  
Coon Rapids; tax increment financing extension.

**HF3008-Anzelc (DFL)**  
**Transportation & Transit Policy & Oversight Division**  
Type III vehicle drivers requirements amended.

**HF3009-Hilty (DFL)**  
**Energy Finance & Policy Division**  
Utility report filings, hydrogen energy projects, weatherization programs, public utility commission assessments and utility metering for supportive housing made technical changes; individuals and entities authorized to take certain easements in agricultural land.

**HF3010-Bigham (DFL)**  
**Health Care & Human Services Policy & Oversight**  
Firefighters and volunteer ambulance attendants allowed to purchase MinnesotaCare at full cost.

**HF3011-Downey (R)**  
**State & Local Government Operations Reform, Technology & Elections**  
Commission on Service Innovation established.

**HF3012-Emmer (R)**  
**State & Local Government Operations Reform, Technology & Elections**  
State consideration of federal mandates process established.

**HF3013-Hosch (DFL)**  
**Health Care & Human Services Policy & Oversight**  
Mental health diagnostic assessment payments changed into a three-tier budget-neutral rate structure for Medical Assistance reimbursement.

**HF3014-Downey (R)**  
**Finance**  
State budget documents required to include federal insolvency contingency planning.

**HF3015-Hansen (DFL)**  
**Finance**  
Certain film production cost reimbursement provided.

**HF3016-Hosch (DFL)**  
**Transportation & Transit Policy & Oversight Division**  
Vehicle impoundment notice time clarified.

**HF3017-Atkins (DFL)**  
**State & Local Government Operations Reform, Technology & Elections**  
Municipalities authorized to permit certain solicitations.

**HF3018-Paymar (DFL)**  
**Public Safety Policy & Oversight**  
Prostitution law provisions clarified and recodified and certain definitions modified.

**HF3019-Hayden (DFL)**  
**Health Care & Human Services Policy & Oversight**  
Protecting Children and Strengthening Families Act created and report required.

**HF3020-Nelson (DFL)**  
**State & Local Government Operations Reform, Technology & Elections**  
Metropolitan Council authorized to participate in state paid insurance and benefits.

**HF3021-Faust (DFL)**  
**Finance**  
Variable rate fertilizer application equipment grant program established.

**HF3022-Tillberry (DFL)**  
**Finance**  
Legislative intent clarified, and language added to the collaborative urban educator appropriation.

**HF3023-Holberg (R)**  
**Commerce & Labor**  
Business screening services regulated, and correction and deletion of certain criminal records provided.

**HF3024-Murdock (R)**  
**Commerce & Labor**  
Manufactured Home Building Code requirements modified.

**HF3025-Olin (DFL)**  
**Commerce & Labor**  
Organization and operation of business corporations, nonprofit corporations and limited liability companies regulated; consistent law provided relating to registered agents and offices of business entities; and prohibition repealed against certain business names.

**HF3026-Olin (DFL)**  
**Commerce & Labor**  
Responsible licensed individual requirements modified for electricians.

**HF3027-Eken (DFL)**  
**Environment Policy & Oversight**  
Mercury testing requirements amended for new incinerator units.

**HF3028-Dill (DFL)**  
**Finance**  
Cook County Higher Education Board funding provided.

**HF3029-Hortman (DFL)**  
**Finance**  
Large vehicle movement on public streets and highways governing provisions modified.

## Thursday, Feb. 18

**HF3030-Kalin (DFL)**  
**State & Local Government Operations Reform, Technology & Elections**  
State Board of Investment required to consider venture capital investments in businesses located in Minnesota.

**HF3031-Davids (R)**  
**State & Local Government Operations Reform, Technology & Elections**  
Resignation of certain elected public officials required.

**HF3032-Dill (DFL)**  
**Transportation & Transit Policy & Oversight Division**  
Veteran designation modified to allow identification of disability.

**HF3033-Rukavina (DFL)**  
**Finance**  
Rebate program established for solar photovoltaic modules.

**HF3034-Emmer (R)**  
**K-12 Education Policy & Oversight**  
Teachers charged with felonies suspension without pay authorized.

**HF3035-Davnie (DFL)**  
**Health Care & Human Services Policy & Oversight**  
Minnesota Comprehensive Health Association; preexisting condition limitation exception for children provided and technical update made.

**HF3036-Gottwalt (R)**  
**Health Care & Human Services Policy & Oversight**  
MinnesotaCare defined contribution program established.

**HF3037-Rukavina (DFL)**  
**Finance**  
Manufacturing equipment loan program established for manufacturing businesses in the state and revenue bonds issued.

**HF3038-Olin (DFL)**  
**Public Safety Policy & Oversight**  
Inmate payment of room and board modified to include any time credited for time served.

**HF3039-Hayden (DFL)**  
**Civil Justice**  
Driver's license requirements modified for foster children, in-court reviews required and definition of parent expanded for child protection proceedings.

**HF3040-Rukavina (DFL)**  
**Civil Justice**  
Noncustodial parent allowed to provide child care and deviation from child support guidelines permitted.

**HF3041-Seifert (R)**  
**Finance**  
H1N1 flu prevention activities made eligible for health and safety revenue.

**HF3042-Murphy, E. (DFL)**  
**Health Care & Human Services Policy & Oversight**  
Participating provider agreements regulated between health plan companies and health care providers.



**HF3043-Kalin (DFL)**

**K-12 Education Policy & Oversight**  
Computer-adaptive assessments provided for general education students.

**HF3044-Hornstein (DFL)****Taxes**

Preferences for foreign source income eliminated, subtraction for foreign royalties repealed, definition of domestic corporations expanded to include certain foreign corporations incorporated in or doing business in tax havens and foreign operating corporations repealed.

**HF3045-Anzelc (DFL)****Health Care & Human Services Policy & Oversight**

Human services licensure requirements modified.

**HF3046-Ruud (DFL)****Health Care & Human Services Policy & Oversight**

Birthing centers licensure established.

**HF3047-Huntley (DFL)****Health Care & Human Services Policy & Oversight**

Office of Health Care Inspector General created and commissioner of human services duties modified.

**HF3048-Norton (DFL)****Commerce & Labor**

Construction codes and licensing provisions modified, certain notice provisions modified and criminal penalties imposed.

**HF3049-Norton (DFL)****Health Care & Human Services Policy & Oversight**

Dental benefit plan requirements established for prior authorizations and provider audits.

**HF3050-Hilstrom (DFL)****Public Safety Policy & Oversight**

Attorney defined for consultation with persons in custody, and calls included to attorney cellular telephones from persons in custody.

**HF3051-Dill (DFL)****Environment Policy & Oversight**

State park and state forest boundary designation provided, historic property exemption provided, state forest acquisition provisions modified, acquisition of Lake Vermilion State Park provided, state parks and state forests added to and deleted from, and public and private sales, conveyances, and exchanges for certain state land authorized.

**HF3052-Abeler (R)****Commerce & Labor**

Nonrecourse civil litigation funding transactions regulated.

**HF3053-Atkins (DFL)****Commerce & Labor**

Electronic bingo provided, rates and collection of lawful gambling taxes adjusted and modified.

**HF3054-Lanning (R)****Finance**

Red River flood damage reduction project mitigation funding provided.

**HF3055-Thissen (DFL)****Health Care & Human Services Policy & Oversight**

State-County Results, Accountability, and Service Delivery Redesign Act changes made.

**HF3056-Norton (DFL)****Health Care & Human Services Policy & Oversight**

Quality improvement program for physician clinics and hospitals established.

**HF3057-Davids (R)****Finance**

Fillmore County; veterans cemetery funding provided.

**HF3058-Hortman (DFL)****Environment Policy & Oversight**

Coon Rapids; dam commission created.

**HF3059-Ruud (DFL)****Health Care & Human Services Policy & Oversight**

Pregnant women mandatory reporting requirements modified.

**HF3060-Hornstein (DFL)****Energy Finance & Policy Division**

Burned mixed municipal solid waste and refuse-derived fuel and production of landfill gas deleted from list of technologies that fulfill utility's requirement to generate portion of electricity from renewable energy sources.

**HF3061-Hornstein (DFL)****Environment Policy & Oversight**

Minnesota's waste management hierarchy amended.

**HF3062-Anzelc (DFL)****Finance**

Itasca County; steel plant appropriations modified.

**HF3063-Newton (DFL)****Finance**

School district authorized to renew an expiring referendum by action of the school board.

**HF3064-Swails (DFL)****Finance**

Allowable capital levies expanded.

**HF3065-Simon (DFL)****State & Local Government****Operations Reform, Technology & Elections**

Securities lending agreements and holding of municipal funds provided.

**HF3066-Thissen (DFL)****Health Care & Human Services Policy & Oversight**

Administrative expense data reporting required, the Advisory Group on Administrative Expenses established.

**HF3067-Hansen (DFL)****Environment Policy & Oversight**

Watershed plan provisions modified.

**HF3068-Eken (DFL)****Taxes**

Disabled veteran's market valuation exclusion continuation provided.

**HF3069-Kath (DFL)****K-12 Education Policy & Oversight**

Board of Teaching directed to incorporate professional reflection and growth in best teaching practices into its renewal requirements for a continuing teaching license.

**HF3070-Kath (DFL)****Health Care & Human Services Policy & Oversight**

Ethics training required from home health aides, and commissioner of health instructed to amend rules.

**HF3071-Hayden (DFL)****Health Care & Human Services Policy & Oversight**

Exemptions from MFIP and general assistance asset limitations created.

**HF3072-Bigham (DFL)****Transportation & Transit Policy & Oversight Division**

Lane into which left turns must be made specified.

**HF3073-Carlson (DFL)****Finance**

Amount of agency deposit receipts made technical changes, and use of fees clarified in the combined charities campaign.

**HF3074-Slocum (DFL)****K-12 Education Policy & Oversight**

Board of Teaching allowed to approve innovative, research-based teacher and preparation and licensure programs.

**HF3075-Severson (R)****Transportation & Transit Policy & Oversight Division**

Relinquished land owned by the Department of Transportation governing requirements established.

**HF3076-Juhnke (DFL)****Commerce & Labor**

Elevator provisions modified.

**HF3077-McNamara (R)****Finance**

Afton; flood hazard mitigation funding provided.

**HF3078-Brown (DFL)****Commerce & Labor**

State lottery operation restriction removed.

**HF3079-Hortman (DFL)****Environment Policy & Oversight**

Permitting efficiency provided and environmental review provisions modified.

**HF3080-Hortman (DFL)****Transportation & Transit Policy & Oversight Division**

Child passenger restraint requirements exempted for certain school buses.

**HF3081-Hilstrom (DFL)****Public Safety Policy & Oversight**

Criminal sexual conduct in the first degree penalty increased.

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MAJORITY LEADER: ANTHONY "TONY" SERTICH  
MINORITY LEADER: KURT ZELLERS

# MINNESOTA INDEX

## The state budget

In billions, total projected General Fund spending in the 2010-11 biennium.....	\$31.3
Percent spent on K-12 education .....	37.1
Percent spent on health and human services .....	29.3
Percent spent on property tax aids and credits.....	9.9
Percent spent on higher education.....	9.1
Percent spent on public safety .....	5.8
Percent spent on debt service.....	3.2
Percent spent on state government.....	2.0
Percent spent on environment, energy and natural resources.....	1.2
Percent spent on agriculture and veterans.....	0.8
Percent spent on transportation .....	0.6
In billions, General Fund spending in the 2000-01 biennium.....	\$24.2
In the 1990-91 biennium.....	\$13.6
In the 1980-81 biennium.....	\$7.2
In billions, projected state tax revenues in the 2010-11 biennium.....	\$30.4
Percent from individual income tax .....	47.0
Percent from sales tax.....	28.4
Percent from statewide property tax.....	5.1
Percent from corporate tax.....	4.2
Percent from gross earnings taxes .....	1.9
Percent from liquor/tobacco taxes .....	1.8
Other tax revenues.....	4.2
All other revenues.....	7.4
"Price of government," or percentage of personal income taken up by state and local government spending, in fiscal year 2009.....	15.1
In fiscal year 2006 .....	16.2
In fiscal year 2003 .....	15.0
In fiscal year 2000.....	16.2
In fiscal year 1997 .....	17.5
In fiscal year 1994.....	17.9
In fiscal year 1991 .....	16.4
In billions, Minnesota's total fiscal years 2010-11 biennial budget, including all funds.....	\$60.1
In fiscal years 2000-01 .....	\$37.0
In fiscal years 1990-91.....	\$20.6
In fiscal years 1980-81.....	\$10.4

— N. BUSSE

Source: Minnesota Management & Budget

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# SESSION WEEKLY

A NONPARTISAN PUBLICATION  
MINNESOTA HOUSE OF REPRESENTATIVES • PUBLIC INFORMATION SERVICES  
VOLUME 27, NUMBER 4 • FEBRUARY 26, 2010



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## SESSION WEEKLY

Session Weekly is a nonpartisan publication of Minnesota House of Representatives Public Information Services. During the 2009-2010 Legislative Session, each issue reports House action between Thursdays of each week, lists bill introductions and provides other information. No fee.

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

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



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**On the cover:** Heidi Holmer of Thief River Falls shows her 6-year-old son, Brett, the House seating chart outside the House Chamber Feb. 18.

— Photo by: Tom Olmscheid

# Schools shore up state's checkbook

Obscure law forces drawdown of school reserves before state can borrow

By KRIS BERGGREN

**I**n order to pay its bills this spring, the state is holding out its hat to school districts. It will borrow \$423 million from 221 school districts' cash reserves by delaying regularly scheduled March and April state aid payments.

But first the state had to dust off an old statute allowing it to do so. It's not that the state particularly wants to borrow schools' cash, but if it plans to borrow money, the state is required by law to look to schools first. The districts affected are those with more than \$700 per pupil unit in their reserve funds.

The use of the obscure mechanism highlights a snowballing problem with avalanche potential. The long-term effect of how the state is juggling to pay its bills could impact the fiscal health of schools, said Rep. Mindy Greiling (DFL-Roseville), the House K-12 Education Finance Division chairwoman. The move sets a bad precedent, and compounds the burden of a poorly designed funding formula already failing to

meet schools' rising expenses in the face of growing demands, she said.

"The snowball is rolling faster and faster with bad financial management practices. We have to raise taxes, make cuts, look for reforms," Greiling said.

Rep. Larry Howes (R-Walker) agrees the system is broken. "The Legislature should be able to balance their budget and not have that impact on school districts," he said.

## Avoid borrowing at all costs

In the early 1980s, the administrations of governors Al Quie and Rudy Perpich used short-term borrowing to resolve temporary shortfalls, but after several years of double-digit interest rates, "the political climate in 1985 was that short-term borrowing was to be avoided at any cost," said House Chief Fiscal Analyst Bill Marx.

The law requiring delayed school payments as an alternative was enacted in 1986, effective for one year, and made permanent in 1987. It has never been used, even in other years the state's faced fiscal crunches.

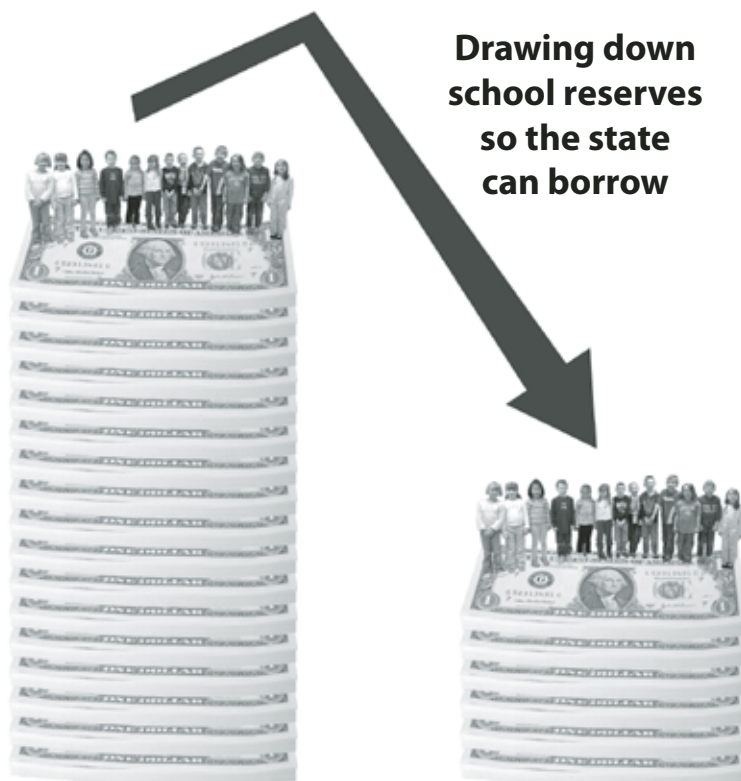
School administrators understand the weight of the state's \$1.2 billion deficit this biennium and projected \$5.4 billion deficit in the next biennium, and definitely prefer shifts to cuts. But neither they nor legislators like penalizing districts that have, through thrift, property tax levies or both, built up their own cash reserves for a rainy day—or a snowy one.

## Snow day woes

Late last year, the Albany Area Schools bus shelter roof collapsed under the weight of a huge Christmas Day snowfall, damaging seven buses and three vans. Repair and replacement expenses were partially covered by insurance, but the incident cost the district \$65,000, covered by its reserve fund balance, according to Scott Thielman, superintendent of the district about 20 miles west of St. Cloud.

That's exactly the sort of unforeseen expense school

**Drawing down  
school reserves  
so the state  
can borrow**



**Cash flow shortages this spring will trigger a 24-year-old, never-before-used statute that requires the state to delay payments to school districts before borrowing money. In effect, the payment delays will draw down schools' cash reserves. So far, the plan is to take only from those school districts with reserves greater than \$700 per pupil. Some lawmakers question the fairness of borrowing money from schools.**

**First Reading continued  
on page 4**



PHOTO BY TOM OLMSCHEID

The House K-12 Education Finance Division debates the fiscal future for education in front of a packed room of onlookers.

### First Reading continued from page 3

districts should use their reserves for, say lawmakers.

"If there are bad times, we shouldn't take the money from the schools," Howes said. He sponsors HF2783 that would repeal the statute effective Aug. 1. Greiling sponsors HF2645, a bill nearly identical to Howes's except for its effective date.

"If it was a one-time episode and it wasn't used again for 20 years, I wouldn't say much about it, but I see it happening again next Sept. 1, which is the next time they can use it, and then the money would be kept by the state the whole school year," Greiling said.

Both bills were laid over Feb. 17 by the House K-12 Education Finance Division for possible omnibus inclusion.

The Pequot Lakes Public Schools in Howes's district will lend the state about \$1.3 million this spring. Supt. Rick Linnell said his district has "worked very, very hard" to maintain two and a half months of operating expenses in its reserve balance, for example, by trimming \$400,000 from its 2010 budget and eliminating its German language program next year. Now the district will lose interest income and incur penalties for early withdrawal of savings certificates of deposit.

"We are going to lose money in that deal and we shouldn't have to do that. If you lose a boiler or buses go bad, we have to have that," Linnell said.

### An avalanche of consequences

Howes and Greiling worry about the long term consequences of delayed payments and the routine use of accounting shifts on students, teachers and communities.

Howes points out the ripple effect of employment uncertainty on school employees and their families. "Every year we lay off 30 teachers," Howes said, referring to Pequot Lakes. Many are rehired once funding is secure, but "if you have 30 teachers in limbo, you have other people who are in limbo. You're laid off, what are you going to do, pick up the family and move somewhere else?"

Greiling is worried about the state's declining bond ratings, the possible decline of school districts' credit ratings as they're forced to borrow money to cover their own operating expenses, and that the districts will see the continual borrowing from their reserves as disincentive to keep those reserves full.

"Meanwhile, we kill the golden egg and then we kill the goose too," Greiling said.

But taking — or at least borrowing — from schools has become the norm. Many districts scrambled to accommodate the accounting shifts the governor authorized last May. Such shifts are common, and the amount withheld is typically repaid in subsequent years, but the 27 percent shift imposed this year left schools with 17 percent less operating funding this year. Albany Area Schools borrowed \$1.745 million to cover the larger-than-usual shift. (When a shift is used, it's normally 10

percent.) That loan cost the district about \$35,000 between lost interest and the cost of putting an aid anticipation certificate out for sale, said Thielman. "You can hire a paraprofessional or even a teacher for that amount," he said—or buy two used vans.

Worse, said Thielman, he and his fellow superintendents worry shifts won't be repaid, or that cuts to K-12 education are inevitable.

Lawmakers are also concerned about that possibility.

HF2683 sponsored by Rep. Denise Dittrich (DFL-Champlin), and HF2508, sponsored by Rep. Pat Garofalo (R-Farmington), would codify the shifts made last year by the governor, which mimic Legislature-approved shifts but do not bind future lawmakers.

"Members of this committee know I am not a fan of shifts," Garofalo told the House K-12 Education Finance Division Feb. 17. "When we shift we mask the problems from the public." Still, he sponsors the bill because he believes it's possible "that when we elect a new Legislature and governor, they would have the choice to decide the current unallotments were a cut and not a shift. Or maybe in a lesser degree, maybe of the \$1.7 billion in shifts he mimicked, maybe \$200 million or \$300 million of those would be cuts instead of shifts." He thinks such a sudden decrease would be too much for schools to bear.

The division approved both bills and held them over for possible inclusion in an omnibus bill, but the conversation isn't over.



## CONSUMERS

**Brewing in basements**

Beverage producers would be able to make their products in basements under a bill approved Feb. 22 by the House Agriculture, Rural Economies and Veterans Affairs Committee.

Sponsored by Rep. Mindy Greiling (DFL-Roseville), HF2918 would allow the Department of Agriculture to issue permits to businesses producing certain types of beverages in basements or other subgrade areas.

Greiling said basements are currently automatically ruled out due to the “olden days” when basements were wet and had mildew problems. The department would like to look at basements on a case-by-case basis now, she said.

Seth Couenhoven, director of operations for Thuro Bread, wants to rent the basement of a building he owns to a company to make fermented tea, but is unable to do so under current law. The basement is updated and approved for commercial packaging, but also needs to be approved for the bottling process, he said.

The bill now goes to the House floor. A companion, SF2632, sponsored by Sen. John Marty (DFL-Roseville), was scheduled to be heard Feb. 25 by the Senate Agriculture and Veterans Budget and Policy Division.

— P. OSTBERG

## CRIME

**Penalty for deadly careless driving**

A driver runs a red light and slams into a minivan. A 4-year-old boy is thrown from the van and killed after the minivan rolls on top of him.

The penalty for the driver running the red light? A misdemeanor.

“Our office has prosecuted numerous tragic cases over the years involving severe injury or death caused by careless and reckless driving,” Minneapolis City Attorney Susan Segal wrote in a letter to Rep. Karla Bigham (DFL-Cottage Grove). “In the absence of adequate evidence to charge driving under the influence of alcohol or drugs, typically the only charges that can be brought are at the misdemeanor level for careless driving, inattentive driving or failure to obey a traffic control device.”

Sponsored by Bigham, HF2888 would increase the penalty for careless driving that

results in the death of another person to a gross misdemeanor, which could mean a year in jail.

Approved Feb. 18 on a split-voice vote by the House Public Safety Policy and Oversight Committee, the bill was sent to the House Transportation and Transit Policy and Oversight Division. A companion, SF2503, sponsored by Sen. Steve Murphy (DFL-Red

Wing), awaits action by the Senate Judiciary Committee.

“Current statute says if you can prove gross negligence it’s a felony, otherwise it’s a misdemeanor,” Bigham said. “There’s a lot of people that believe a misdemeanor penalty is not enough.”

Rep. Terry Morrow (DFL-St. Peter) said the bill would allow a middle position for a judge

**BIKER’S DAY**

PHOTO BY TOM OLMSCHIED

**Pamela and Timothy Braastad and Mike and Jewels Langmade look through the House Chamber’s front gate while participating in Biker Day at the Capitol Feb 24. The two couples are members of the East Central River Riders, St. Croix Valley Riders and ABATE (American Bikers for Awareness, Training, & Education).**

between doing little or forcing the prosecution to prove gross negligence, which can be difficult to do when alcohol or a controlled substance is not involved.

“Right now what several county attorneys and other people are faced with is you either have to spend the taxpayer’s money trying to prove criminal vehicular for grossly negligent or to take a simple careless driving, which really doesn’t fit a death,” said Rep. Dave Olin (DFL-Thief River Falls).

A similar bill sponsored by Bigham, HF45, failed to get House Finance Committee approval last year. A provision to revoke a person’s license for one year is not in the current bill.

— M. Cook

### Electronic monitoring for abusers

According to the Minnesota Coalition for Battered Women, at least 12 Minnesota women, one man and two friends, family members or interveners died last year in a domestic violence situation.

That is 11 people fewer than in 2008.

Rep. Paul Gardner (DFL-Shoreview) sponsors a bill to reduce those numbers even more.

Approved Feb. 19 by the House Crime Victims/Criminal Records Division, HF2864 would lift current restrictions on electronic monitoring as a pre-trial condition in domestic abuse cases, and allow a judicial district to establish a pilot project whereby a judge could, as a condition of release, require an offender to wear an electronic monitoring device.

Also approved by the House Public Safety Policy and Oversight Committee it awaits action by the House Public Safety Finance Division. A companion, SF2636, sponsored by Sen. Chuck Wiger (DFL-Maplewood), awaits action by the Senate Judiciary Committee.

“Electronic monitoring becomes one tool that can help in those cases to enhance safety,” said Liz Richards, the coalition’s director of advocacy and systems change.

She said Stearns County has a domestic violence court that focuses on repeat offenders who have a felony domestic assault charge against them.

“During one three-month period last year, they had 19 domestic violence offenders in that court program,” she said. Those offenders combined for 401 violations of release during that time, mostly violations of a no-contact order. “It’s precisely those offenders that this type of monitoring would be targeting.”

A system would need to have dedicated resources and a localized system capable of implementation, leading Rep. Michael Paymar (DFL-St. Paul) to wonder about the cost.

“We’re not looking for any state dollars to go with this, we’re really authorizing programs to set up a pilot, meaning the pilot would be responsible for figuring out whether they are going to seek outside funding sources to pay for this or whether their system can currently absorb it within whatever they’re doing,” Richards said. “From what I hear it can range anywhere from something like the \$10-\$20 per day. It really depends on the system you set up.”

— M. Cook

### Expanding ex parte protection area

An ex parte order for protection provides a certain level of immediate protection for a domestic abuse victim.

However, it could get even more specific.

Sponsored by Rep. Debra Hilstrom (DFL-Brooklyn Center), HF2608 would allow courts to provide a reasonable area surrounding a dwelling or a residence in an ex parte order.

This tries to get at people who have no reason to be there, she said.

Approved Feb. 19 by the House Crime Victims/Criminal Records Division, and Feb. 25 by the House Public Safety Policy and Oversight Committee, it awaits action by the full House. A companion, SF2437, sponsored by Sen. Mee Moua (DFL-St. Paul), awaits action by the Senate Judiciary Committee.

According to state statute, if a victim “alleges an immediate and present danger of domestic abuse, the court may grant an ex parte order for protection and granting relief as the court deems proper.” The order can force the offender to stay away from a victim’s residence and workplace and permit no contact between the alleged abuser and their victim.

Vanessa Foster, a legal advocate at Tubman, which offers services and shelter to domestic violence victims, said that when boundaries are not clearly stated, abusers often stretch an order’s limit to harass or intimidate their victims. She said a recent client had her abuser loitering three doors down from her home. “The police could not protect her until he entered her home or threatened to actually hurt her,” Foster said.

“Under current Minnesota law, courts can exclude respondents in orders for protection from a reasonable area surrounding the dwelling or residence of the applicant for the order,” said Matthew Frank, an assistant attorney general. “This provision includes or adds that same language to the ex parte provision that an applicant can apply for from the court.”

What constitutes a reasonable area?

Although nothing is set in stone, Frank said, “Typically, what courts do is define that in terms of geographic area, within a block or two blocks, or within 100 feet or

within certain areas the respondent would recognize.”

— M. Cook

### ‘Mixture’ definition sought

A weighty issue can mean dissimilar penalties for people using the same amount of drugs.

The weight of an entire mixture can now be used when charging decisions are made regarding illegal use of a controlled substance, even if the drug residue is only a small part of the mixture.

Sponsored by Rep. Phyllis Kahn (DFL-Mpls), HF2757 would amend the definition of “mixture” in statute. It would require law enforcement and prosecutors to determine the purity of a mixture that contains a controlled substance’s residue before weighing it for purposes of determining the level of offense.

The House Public Safety Policy and Oversight Committee held the bill over Feb. 18 for possible omnibus bill inclusion. It has no Senate companion.

The problem came to light in 2008 when a defendant was charged with a first-degree controlled substance offense because they possessed bong water that contained a residue of methamphetamine. Even though the bong water had just a small amount of residue, the mixture’s total weight was used to charge the defendant with the more serious drug offense. The Minnesota Supreme Court ruled last year that the charge was appropriate under the current definition of mixture.

“It allows small-time drug users to be punished as major dealers, and it gives prosecutors a vast amount of discretion to decide to treat someone as either a major offender or a minor offender based on arbitrary factors,” said Ted Sampson-Jones, a criminal law professor at William Mitchell College of Law.

Assistant Dakota County Attorney Scott Hersey spoke against the bill, noting it would require more Bureau of Criminal Apprehension lab work and increased court costs because expensive third parties would likely become more involved.

“It would be a battle of experts if we’re going to do purity analysis, which is not well-defined in the statute, to determine how pure the drug actually is.”

— M. Cook

## EDUCATION

### Computerized tests aren’t best for all

Computerized testing don’t always work well for every student, including those learning English or those who have difficulty

## LIFE SAVER



PHOTO BY TOM OLMSCHIED

**House Minority Leader Kurt Zellers, right, recognizes 12-year-old Callie Crane of St. Michael on the House floor Feb. 22. Last summer, Callie bravely saved the life of a 150-pound young man who became unconscious while swimming in Mill Pond in Wright County. She was honored for her swift action at the 26th Annual Minnesota Public Safety Service Awards.**

scrolling up and down on a screen to read text.

Facing a high-stakes test on the computer screen after failing more than once can cause students and their parents stress and anxiety, Burnsville High School Associate Principal Bruce Morrisette told the House K-12 Education Policy and Oversight Committee Feb. 24.

Rep. Will Morgan (DFL-Burnsville) sponsors HF2751, which would allow students who do not pass the reading and language arts Graduation Required Assessment for Diploma to retake the test in pencil-and-paper format.

Matt Mohs, St. Paul Schools director of Title I programs, said about 600 seniors in that district have not passed the test this year. He supports the bill “because I want to make sure we have done everything we can” to allow them to pass the required test.

Mohs also said frequent computer retakes tie up high schools’ computers for two weeks a month, preventing access for other students and requiring additional network capacity and technical support at the expense of other program areas.

Education Department Director of Research and Assessment Dirk Mattson estimated that a paper and pencil option would also have a cost, which could be “in the seven digits” depending on how frequently it was administered.

Rep. Keith Downey (R-Edina) opposed the

bill, in part, because of “the unknown fiscal dimension in a year when everybody is just totally under fiscal pressures.”

The committee approved the bill on a 13-7 roll call vote, sending it to the House Finance Committee with a recommendation it be sent to the House K-12 Education Finance Division. Its companion, SF2610, sponsored by Sen. Ellen Anderson (DFL-St. Paul), awaits action the Senate Education Committee.

— K. BERGGREN

### Smart tests get committee OK

Computer-adaptive testing is a type of online assessment that adjusts questions to an individual student’s responses. The “smart” test is meant to provide an accurate measure of the student’s achievement level, and can quickly give teachers feedback they can use to adjust classroom instruction to align with students’ needs.

A constituent’s experience with how transformative such tests can be prompted Rep. Jeremy Kalin (DFL-North Branch) to sponsor HF3043, which would require computer-adaptive testing for math students in grades three through eight in the 2010–2011 school year and in reading tests beginning in 2013–2014.

Kalin told the House K-12 Education Policy and Oversight Committee that he met a fourth-grade teacher while campaigning in 2004 who said that computer-adaptive tests transformed how he taught reading in his

classroom almost overnight, and that he “saw the light bulbs going on” in his students when he made changes.

The meat of the bill, Kalin said, is a provision allowing districts to replace district-purchased computer-adaptive assessments with those that are state-developed and state-funded. Kalin said North Branch has spent \$35,000 for its own testing contract despite being among the lowest in the state in terms of districts receiving state aid.

Education Department Director of Research and Assessment Dirk Mattson said the department supports and is developing computer-adaptive testing, but cautioned it doesn’t eliminate the need for other kinds of tests. He also said it is costly to develop new tests when academic standards change, which may happen if the state is awarded a Race to the Top grant that could require Minnesota to adopt a common core of standards.

The committee approved the bill Feb. 24 and sent it to the House Finance Committee with a recommendation to refer it to the House K-12 Education Finance Division. There is no Senate companion.

— K. BERGGREN

### Race to the Top proposals critiqued

Education Commissioner Alice Seagren told the House K-12 Education Policy and Oversight Committee Feb. 23 that the attorney general has certified that the state’s Race to the Top application for \$330 million in federal



grants is not in conflict with Minnesota laws; but some lawmakers and advocates have a different reading.

The proposal to extend Q Comp in the application could circumvent laws retaining local control over districts' ability to make Q Comp agreements, said Rep. Mindy Greiling (DFL-Roseville). Q Comp is an alternative teacher compensation and professional development system.

Rep. Kathy Brynaert (DFL-Mankato) is wary of the proposal to link data about growth in student achievement to individual teacher evaluations. She said a law enacted last year puts the brakes on using student achievement in teacher evaluations. Seagren said school districts may use such data in teacher evaluations, but the Education Department cannot.

Education Minnesota chief lobbyist Jan Alswager said that several RTTT proposals could be in conflict with Minnesota law or legislative intent, including the push to expand Q Comp, alternative teacher licensure pathways and an "equitable transfer" plan that would move "highly effective" teachers to high-need schools without regard for seniority.

Alswager noted that a state map of chronically low-performing schools targeted for reforms in the application is similar to one made by Kids Count Minnesota indicating high poverty areas. She added that teachers are tired of feeling they're expected to solve societal problems stemming from poverty.

"For some reason we have got this notion that if a school isn't working, or kids aren't performing the best that they can, we're going to put it on the backs of teachers," Alswager said. "Poverty and all of the needs that go along with poverty came before the kids ever walked in the school."

Committee Chairman Rep. Carlos Mariani (DFL-St. Paul) said legislators should decide "whether or not we need to be acting proactively to change Minnesota statute, or, quite frankly, acting proactively to say no to certain proposals in the Race to the Top proposal, to be consistent with Minnesota statutes."

No action was taken.

— K. BERGGREN

### Alternative teacher licensure OK'd

Teach for America places college graduates in high-need schools.

Daniel Sellers, executive director of Teach for America Twin Cities, said about one-quarter of the organization's members share the socio-economic background of the children they serve, and about 10 percent are African American and six percent Latino.

Teach for America members are permitted to teach because the Board of Teaching is authorized to grant "experimental approval" of certain programs. The House K-12 Education Policy and Oversight Committee heard two bills Feb. 25 that would facilitate their licensure.

HF 3074 sponsored by Rep. Linda Slocum (DFL-Richfield), would repeal the current alternative teacher licensure law, and allow the Board of Teaching to adopt rules establishing a two-year limited teaching license and a pathway to full licensure for nontraditional teacher candidates.

HF3093 sponsored by Rep. Carlos Mariani (DFL-St. Paul) would direct the board to approve qualified programs that enable a two-year license under legislative authority. The change would target districts or charter schools where there is a teacher shortage, a demonstrated achievement gap or where existing teaching staff does not reflect the racial or cultural student population.

Jan Alswager, chief lobbyist with Education Minnesota said her primary concerns are ensuring teacher quality, and that the "teacher of record" in charge of the classroom be a fully licensed teacher.

"Most studies nationally show little connection between teacher effectiveness and their route to certification," said Pat Pratt-Cook, Minneapolis Public Schools chief of human resources and accountability, who supports the bills.

The committee approved both measures Feb. 25. HF3074 was sent to the House Finance Committee. HF3093 goes to the House Floor.

Sen. Terri Bonoff (DFL-Minnetonka) sponsors companion bills SF2757 and SF2811, which await action by the Senate Education Committee.

— K. BERGGREN

## ELECTIONS

### House approves August primary

Minnesota's traditional September primary could move to the second Tuesday in August to meet a federal mandate under a bill passed Feb. 25 by the House 126-5.

Passed in October 2009, the federal Military and Overseas Voter Empowerment Act requires at least a 45-day period for absentee ballots to be returned and counted for primaries and elections. Previous law was 30 days.

Rep. Steve Simon (DFL-St. Louis Park) and Sen. Terri Bonoff (DFL-Minnetonka) sponsor HF2552/SF2251\* that would conform Minnesota's elections to the federal mandate. Simon amended the House version to the Senate file. It now returns to the Senate.

"It's been said that in every recount in Minnesota there are basically two stacks of discarded ballots, one is the people who just did it wrong, and one are the overseas people who didn't get their ballots back in time. ... This is finally the fix that we need," Simon said.

In 2008, almost 400,000 military and overseas absentee voters failed to have their ballots counted, Bob Carey, director of the Federal Voting Assistance Program, previously told a House committee. "That's because there is just not enough time," he said. Those voters "experience much more difficulty than the average voter in exercising their right to vote."

There were several failed amendment attempts, including one by Rep. Tom Emmer (R-Delano) that would have required voters to show photo identification at the polling place. Another, offered by Rep. Marty Seifert (R-Marshall), would have reduced the number of voters one person could vouch for in an election from 15 to 3.

Only Hawaii currently has a later primary date than Minnesota. Ten states and the District of Columbia will also have to change primary dates to meet the new law.

— P. OSTBERG

## EMPLOYMENT

### Workforce programs may face cuts

The state's workforce development programs could be facing nearly across-the-board cuts, members of a House division learned.

Gov. Tim Pawlenty's supplemental budget plan includes \$10.3 million in cuts to the Department of Employment and Economic Development. Commissioner Dan McElroy discussed the proposed cuts Feb. 23 with members of the House Higher Education and Workforce Development Finance and Policy Division. No action was taken.

Combined with \$570,000 in unallotments he made last year, the governor's proposal amounts to a 4.8 percent cut to the agency's \$81 million biennial base budget, plus \$6.9 million in one-time transfers from DEED dedicated funds into the state's General Fund.

In addition to reducing the agency's operating budget, the cuts would affect numerous organizations and programs that receive funding through DEED grants. State Services for the Blind, the Independent Living Program and the Job Skills Partnership Program are among the many initiatives that would be affected.

McElroy said most grantees would see a roughly 6 percent cut.

"Every one of these has some impact. I would be disingenuous to say you can cut this

kind of money and not have in impact. You can't," McElroy said.

McElroy said other impacts of the governor's plan could include:

- fewer people served by the Extended Employment Program, which helps disabled Minnesotans maintain jobs;
- fewer projects funded with Contaminated Cleanup and Investigation grants; and
- job vacancies in the agency would be left open.

Division members also received an update from Department of Labor and Industry Commissioner Steve Sviggum on the governor's supplemental budget plan for his agency.

According to Sviggum, only \$1 million of the department's \$248 million budget comes from the state's General Fund; the rest is funded with a variety of fees. He said the governor's plan would reduce the agency's funding by \$16,000, with the only potential impact being slight time delays on labor standards investigations.

— N. BUSSE

## ENERGY

### Interim rates stripped from bill

A bill that would have changed how the Public Utilities Commission grants interim rate increases now simply requires stricter reporting policies for utility employees' travel and entertainment expenses.

The House Energy Finance and Policy Division approved HF2798 Feb. 22 after Rep. Andy Welti (DFL-Plainview) successfully amended the bill by stripping the entire section having to do with interim rate increases. It awaits action by the House Finance Committee.

Several division members said the bill, sponsored by Rep. Debra Hilstrom (DFL-Brooklyn Center), needed more discussion. Rep. Andrew Falk (DFL-Murdock) said private utility shareholders, not ratepayers, should be expected to carry the burden of executive compensation.

Rep. Mike Beard (R-Shakopee) called the bill "a solution looking for a problem."

"I'm going to caution us to be very careful. Before we kick over this can and afflict our ratepayers with more cost, know that there is no natural occurring defense mechanism to protect the ratepayers from us. We're it," Beard said.

SF2519, a companion bill sponsored by Sen. Ellen Anderson (DFL-St. Paul), awaits action by the Senate Energy, Utilities, Technology and Communications Committee.

— S. HEGARTY

## ENVIRONMENT

### Buckthorn on private land

Cities could adopt ordinances allowing their employees to enter on to private land to take

measures to stop the spread of buckthorn under a bill approved by the House State and Local Government Operations Reform, Technology and Elections Committee Feb. 24.

Sponsored by Rep. Paul Gardner (DFL-Shoreview), HF418 would give municipalities

## ANGLING FOR SUPPORT



PHOTO BY ANDREW VONBANK

**Wearing angler garb and carrying minnow buckets, members of the Congress of Minnesota Resorts visit with Rep. Loren Solberg. The association of small, family-owned resorts came to the Capitol Complex Feb. 23 urging members to support preservation of the small resort industry.**

the authority to control the noxious weed within its geographic boundaries.

Gardner said the idea came to him from North Oaks residents concerned about buckthorn in their area. Buckthorn is considered one of the most invasive plant species in the state, according to the Department of Natural Resources.

Rep. Steve Gottwalt (R-St. Cloud) said the bill doesn't give consideration to private property owners by allowing city officials to have unlimited access to private land to control the noxious weed.

"This kind of exposure and breaching of private property rights is not appropriate," Gottwalt said. He unsuccessfully offered an amendment to remove "private property" from the bill's language.

Gardner said if residents don't agree with a city council's decision to allow city employees on private land, they can hold them accountable at the next election.

The bill now goes to the House floor. A companion, SF1176, sponsored by Sen. Sandy Rummel (DFL-White Bear Lake), awaits action in the Senate Environment and Natural Resources Committee.

— P. OSTBERG

### More support for green projects

The types of environmentally friendly projects eligible for state support would be expanded, under a pair of bills that won approval Feb. 24 from a House division.

The first, sponsored by Rep. Jeremy Kalin (DFL-North Branch), would broaden a program that currently pays for roads and pipelines to support bioscience businesses to include clean energy projects.

Kalin sponsors HF2946, which would make clean energy businesses eligible to receive funds from the state's Bioscience Business Development Public Infrastructure Grant Program. The program, which supports biobusiness development by funding local infrastructure needs, currently has all its biennial funds committed to various projects; however, Kalin argued that clean energy projects should get a crack at competing for future grant funds.

"We've seen, in the last two years ... an increase of about 4.5 percent — almost 1,000 net new jobs in Minnesota — as the result of the demand for clean energy business development," Kalin said.

Some division members voiced concern over expanding the scope of the program. Rep. Steve Gottwalt (R-St. Cloud) said the bill would be "diluting" the amount of funding available for bioscience initiatives in the state.

The House Bioscience and Workforce

Development Policy and Oversight Division voted 8-4 to approve the bill. A companion, SF2719, sponsored by Sen. John Doll (DFL-Burnsville), awaits action by the Senate Business, Industry and Jobs Committee.

Additionally, Rep. Kate Knuth (DFL-New Brighton) sponsors HF2837, which would expand the statutory definition of "green economy" to include the concept of "green chemistry." It, too, won division approval.

"Green chemistry means an approach to designing and manufacturing products that minimizes the use and generation of toxic substances," Knuth said, reading from the definition of the term.

The change would make green chemistry initiatives eligible for state grants and other funding. As with Kalin's bill, some division members objected to the expansion, arguing it could spread the state's funding for high-tech projects too thin.

Both bills now go to the House Higher Education and Workforce Development Finance and Policy Division.

Sen. D. Scott Dibble (DFL-Mpls) sponsors the companion, SF2490, to Knuth's bill, which awaits action by the full Senate.

— N. BUSSE

saving \$1.9 million in fiscal year 2011 and \$8.9 million the following fiscal year, while serving 470 fewer families per fiscal year; and

- a 5 percent reduction to reimbursement rates paid to providers who accept assistance program subsidies for children in their care.

Miranda Oliver, a child care provider and board president of the Minnesota Licensed Family Child Care Association, Inc., said approximately 12,000 family child care businesses in Minnesota care for 187,000 children, or about half of all children cared for in licensed child care in Minnesota. She said child care businesses generate more than \$900 million in gross receipts annually, and that assistance program subsidies allow providers to accept children whose parents can't afford the full cost of care.

"Besides the tax revenue this industry provides Minnesota," Oliver said, "it is this industry that allows workers in all others the ability to work by providing education and care for their children."

— K. BERGGREN

## GAME & FISH

### FAMILY

#### Cuts and child care businesses

Gov. Tim Pawlenty's proposed cuts to child care programs for low-income families could save the state \$11.7 million in fiscal year 2011 and \$29.66 million the following biennium.

However, advocates for those families told the House Early Childhood Finance and Policy Division Feb. 18 the cuts would harm children by making licensed child care unaffordable for their parents and cause some providers to close their doors. No action was taken.

Among Pawlenty's recommendations, according to Department of Human Services Assistant Commissioner Chuck Johnson, are:

- redirection of \$5 million in under-spent fiscal year 2009 funding for Basic Sliding Fee child care subsidies to offset the state's General Fund deficit, which means 470 fewer families would be served through BSF;
- inclusion of Social Security income of family members in eligibility determinations for the Minnesota Family Investment Program, which is estimated to close 500 MFIP cases, shift 4,000 cases from cash and food assistance to food-only and increase child care co-payments for about 800 families;
- a 5 percent reduction in the state appropriation for child care assistance programs,

#### Deer, coyote provisions held over

Counties would be authorized to pay bounty hunters for killing coyotes, and drivers who kill a deer with their vehicle would have the option of keeping the carcass, according to two bills laid over for possible inclusion in the House Game, Fish and Forestry Division omnibus bill.

Sponsored by Rep. Lyle Koenen (DFL-Clara City), HF2811 would let counties pass resolutions that allow bounty hunters to capture coyotes. Counties would administer the programs and pay the bounties; no state money would be used.

Chippewa County Commissioner Jeffrey Lopez said coyote along the Minnesota River Valley in southwestern Minnesota have reportedly killed livestock in pastures, including piglets and sheep grown on organic farms. The predators have been known to burrow under electric fences to get at their prey.

Lopez estimates the bounty price to be about \$25 per coyote. Ed Boggess, deputy fish and wildlife director for the Department of Natural Resources, doubts that a coyote bounty would significantly impact the population.

Rep. Tony Cornish (R-Good Thunder) said he's seen an explosion of coyotes and supports the bill. "I don't see any downside to this legislation."



A companion, SF2641, sponsored by Sen. Gary Kubly (DFL-Granite Falls), awaits action by the Senate Environment and Natural Resources Committee.

Division Chairman Rep. David Dill (DFL-Crane Lake) sponsors HF2955 that would allow the driver of a motor vehicle that collides and kills a deer on a public road the right to keep the deer so long as the deer was not killed illegally. Currently, all wildlife is considered state property. Sen. Tom Bakk (DFL-Cook) sponsors a companion bill, SF2711, which awaits action by the Senate Environment and Natural Resources Committee.

— S. HEGARTY

## GOVERNMENT

### Temporary legislative successor

Legislators who serve in the military could choose a temporary successor to fill their House or Senate seat while called to active duty, under a bill approved by the House State and Local Government Operations Reform, Technology and Elections Committee Feb. 23.

Sponsored by Rep. Roger Reinert (DFL-Duluth), HF2405 would put the proposed constitutional amendment on the November ballot. It awaits action by the House Finance Committee.

Under the change, a legislator would submit the names of three successors to the leader of the legislative body in which they serve, and the presiding officer would select the successor.

Reinert said the change is prompted from his possible 2011 deployment with the Navy Reserve. There are about 25 states that have a similar provision, he said.

Rep. Mark Buesgens (R-Jordan) noted the bill doesn't specify criteria on the length of service the soldier would be required to fulfill, such as a two-week absence versus a one-year deployment.

Rep. Tom Emmer (R-Delano) asked why the bill is limited to military members and not others under special circumstances, such as those with a serious illness.

Reinert responded he would take their concerns under consideration as the bill moves forward.

A companion bill, SF2586, sponsored by Sen. Steve Murphy (DFL-Red Wing), awaits action by the Senate State and Local Government Operations and Oversight Committee.

— P. OSTBERG

## HEALTH

### Cancer treatment costs

St. Paul resident Robert Tisdale credits his oral cancer medication for keeping him alive. It's the only treatment that has stopped the spread of the disease, which began in Tisdale's kidney before metastasizing to other vital organs.

But the medication is expensive, costing Tisdale and his wife, Roxanne, \$300 a month. It's an added financial burden considering the Tisdales, parents of five, previously paid \$25 monthly co-payments for Robert's IV therapy.

"Are we going to be late on our mortgage or are we going to give the \$300 for the oral medication?" Roxanne Tisdale asked the House Health Care and Human Services Policy and Oversight Committee Feb. 18.

The committee approved HF1847, which would require health plans to set equal patient cost-sharing for oral and injected or infused chemotherapy drugs. Sponsored by Rep. Patti Fritz (DFL-Faribault), the bill was sent to the House Commerce and Labor Committee. A companion, SF1761, sponsored by Sen. Linda Scheid (DFL-Brooklyn Park), awaits action by the full Senate.

Dr. Thomas Flynn, president of Minnesota Oncology, said about 10 percent of oncology drugs are administered orally. He expects that number to rise to 25 percent by 2013.

"Cancer patients should be able to work with their physicians to determine the best course of treatment for their disease," Flynn said, "and not be put in a situation where

the difference in out-of-pocket cost is such a significant factor that they are forced to choose potentially less effective treatments than would otherwise be available."

Opponents said the legislation could result in higher premiums and even have the reverse effect of higher co-pays.

"It's a balancing act," said Kathryn Kmit, director of policy and government affairs for the Minnesota Council of Health Plans. "The more invisible the cost is to the patient, the more the employer will have to pay. If you pass this bill, you are making the decision to shift more of the cost of health care to the employer."

Cecilia Retelle, manager of education and health policy for the Minnesota Chamber of Commerce, said the bill could force employers to choose between laying off employees and cutting health coverage.

— L. RADOMSKI

### Senate overrides GAMC veto

The Senate successfully overrode Gov. Tim Pawlenty's veto of a bill continuing General Assistance Medical Care (GAMC) on a 45-21 vote Feb. 25. An attempt by the House could follow in the near future.

Pawlenty vetoed HF2680/SF2168\* Feb. 18 following its passage in the House and Senate the same day.

Sponsored by Rep. Erin Murphy (DFL-St. Paul) and Sen. Linda Berglin (DFL-Mpls), the legislation would create a 16-month GAMC program and reform delivery of mental health services. The \$285 million program would be funded by reduced reimbursement to health care providers, cuts to county social services

## VETS MESSAGE



PHOTO BY TOM OLMSCHIED

Gary Gunker, left, and Darrell Sande join other veterans outside the House Chamber Feb. 18 urging House members to support extended funding for General Assistance Medical Care.

If you have Internet access, visit the Legislature's Web page at: [www.leg.mn](http://www.leg.mn)

grants and the draw-down of federal dollars.

GAMC pays for basic medical services for eligible low-income Minnesotans, many of whom are single adults struggling with chemical dependency or chronic mental health issues. Funding for the current program is scheduled to end April 1.

In his veto message, Pawlenty said the legislation “does not represent meaningful reform and does not address fundamental cost issues.”

“As the state struggles to resolve a \$1.2 billion deficit, passage of this legislation is at best premature,” Pawlenty said. “Legislation that appropriates significant funds simply cannot be passed in a piecemeal fashion. A comprehensive, balanced budget solution must first be reached.”

Pawlenty has proposed automatically transitioning current GAMC enrollees into another state health program, MinnesotaCare, but he would need the Legislature’s cooperation to do it.

In a Feb. 23 letter to Human Services Commissioner Cal Ludeman, House Speaker Margaret Anderson Kelliher (DFL-Mpls) and Senate Majority Leader Larry Pogemiller (DFL-Mpls) instructed state officials not to spend any money on the governor’s proposal. Current law does not grant authority or designate funds for an automatic transition of GAMC enrollees into MinnesotaCare, legislative leaders said.

Bill sponsors and House and Senate leadership met with Pawlenty Feb. 24 to discuss their concerns. Berglin said she took the meeting as a “good sign,” adding there was agreement on the cost-effectiveness of the GAMC bill over the governor’s proposal.

A Pawlenty spokesperson reiterated the governor’s “strong preference” that DFL leadership propose a balanced budget solution before approving additional spending.

If all House Democrats vote to override, they would still need three additional votes to get to 90 votes, the number needed for an override. House Minority Leader Kurt Zellers (R-Maple Grove) said that no House Republicans will vote to override the veto. He accused the Senate of “hijacking” the process by sending the legislation to the governor without further discussion by a conference committee.

— L. RADOMSKI

## HOUSING

### Making a happier home

Help could be on the way for landlords and tenants facing some problems they can’t resolve on their own. The House Civil Justice

Committee informally heard four bills on the issue Feb. 24. Rep. Joe Mullery (DFL-Mpls), the committee chairman, said all parties have pledged to continue working together to develop one bill that can be acted upon yet this session.

“This is about creating balance for both sides,” said Larry McDonough, managing attorney in the housing unit at the Legal Aid Society of Minneapolis.

The four bills are:

- HF2668, sponsored by Mullery, which includes modifying expungement procedures in eviction cases and providing rights to tenants of foreclosed properties;
- HF2816, sponsored by Rep. Jeff Hayden (DFL-Mpls), that would modify utilities and eviction provisions and permit lease termination due to medical reasons;
- HF2829, sponsored by Rep. Bobby Joe Champion (DFL-Mpls), that includes unit access to a personal representative of a deceased tenant; and
- HF2985, sponsored by Rep. Karen Clark (DFL-Mpls), that includes a prohibition on rent late fee penalties unless a written agreement provides for such fees, and language to permit a tenant to make emergency repairs and deduct those costs from their rent if the tenant has provided at least 48 hours notice to the landlord of the emergency.

HOME Line, a statewide tenant advocacy organization, has proposed a 10-item Tenants’ Bill of Rights, which includes the right to a warm home and the right to fair treatment if a landlord goes into foreclosure.

“Everything we propose, most landlords do already. We just want to raise the bar and make sure we’re providing proper homes for tenants in Minnesota,” said Michael Dahl, the organization’s public policy director.

Among the provisions in Mullery’s bill is a requirement that landlords provide a functioning heating system, and it sets minimum standards for the degree of heat the system must provide during winter months.

“We think this is unwieldy for a number of reasons,” said Jack Horner, general counsel and chief lobbyist for the Minnesota Multi Housing Association.” This puts into state law a legal ability of a tenant to simply determine for himself that the building, that his apartment, is not 68 degrees, whether he’s left the windows open or whatever reason, and withhold the rent.”

— M. COOK

### Fighting foreclosures

Minnesota homeowners facing foreclosure could get a new tool to help save their houses.

Sponsored by Rep. Debra Hilstrom (DFL-

Brooklyn Center), HF2613 would give homeowners the option to negotiate a mortgage modification with the help of a mediator.

Gov. Tim Pawlenty vetoed a similar measure last year; however, Hilstrom said the bill now has support from a broader array of interests, and added that she is committed to passing a bill the governor will sign.

Rep. Jim Davnie (DFL-Mpls) presented the bill on Hilstrom’s behalf at a Feb. 23 hearing of the House Commerce and Labor Committee. He conceded that mediation is not a guaranteed solution to the foreclosure crisis; however, he said it would at least provide a means for borrowers and lenders to communicate clearly with each other.

“There’s a recognition that, needless to say, it’s not a 100 percent successful process. But ... this creates a forum where people can work together,” he said.

Under the bill’s provisions, a homeowner in danger of foreclosure would first have to consult with a mortgage counselor. If counseling fails to resolve their situation, the Office of the Attorney General could then appoint a mediator to facilitate good-faith negotiations between the homeowner and their lender.

The bill is modeled after the Farmer-Lender Mediation Act of 1986, which Hilstrom said saved thousands of Minnesota farms from being foreclosed.

Rep. Greg Davids (R-Preston) questioned the need for such a program, arguing that there are already a number of state and federal initiatives designed to accomplish the same thing.

Steve Johnson, Minnesota Bankers Association government relations director, also questioned the need for the bill. He said a 2008 law that promotes pre-foreclosure counseling for homeowners is already accomplishing much of what the bill is intended to do.

The committee approved the bill and referred it to the House Civil Justice Committee. A companion, SF2170, sponsored by Sen. Linda Scheid (DFL-Brooklyn Park), awaits action by the Senate Judiciary Committee.

— N. BUSSE

## HUMAN SERVICES

### Benefits for unemployed

Jobless Minnesotans without unemployment benefits could get some help from a bill receiving committee approval this week.

Rep. Jeff Hayden (DFL-Mpls) sponsors HF3071, which is targeted at Minnesotans who have lost their jobs within the past 16 months. Under the bill, people who have exhausted



or are ineligible for certain unemployment benefits would be exempt from asset limits for General Assistance and the Minnesota Family Investment Program. Both are state-funded programs: GA provides cash benefits to childless adults, while MFIP offers cash and food assistance to working families.

Forcing people to spend down their savings or sell their assets to qualify for assistance only makes it harder for them to get back on their feet, Hayden told the House Health Care and Human Services Policy and Oversight Committee Feb. 24. The committee approved Hayden's bill and sent it to the House Finance Committee. It does not have a Senate companion.

As many as 5,000 Minnesotans lose unemployment benefits each month despite diligent efforts to find work, said Rep. Diane Loeffler (DFL-Mpls). A growing number are middle class.

"I think we're encountering a new group of poor that are different than the poor we've traditionally focused on in this committee," Loeffler said.

The committee also heard two additional bills related to MFIP eligibility, both sponsored by Hayden. Under HF2564, MFIP cash assistance received over a two-year period beginning July 1 would not count toward the program's 60-month time limit. HF2576 would offer a "hardship extension" to certain MFIP participants during the same time period.

Several committee members said stopping the time clock for two years is too long.

"When we spend additional state money like this, we're taking it from other people who may be right on the edge as well," said Rep. Steve Gottwalt (R-St. Cloud). "...These approaches do not help us in the long-run."

No action was taken on either bill.

— L. RADOMSKI

## NURSING SENIORS

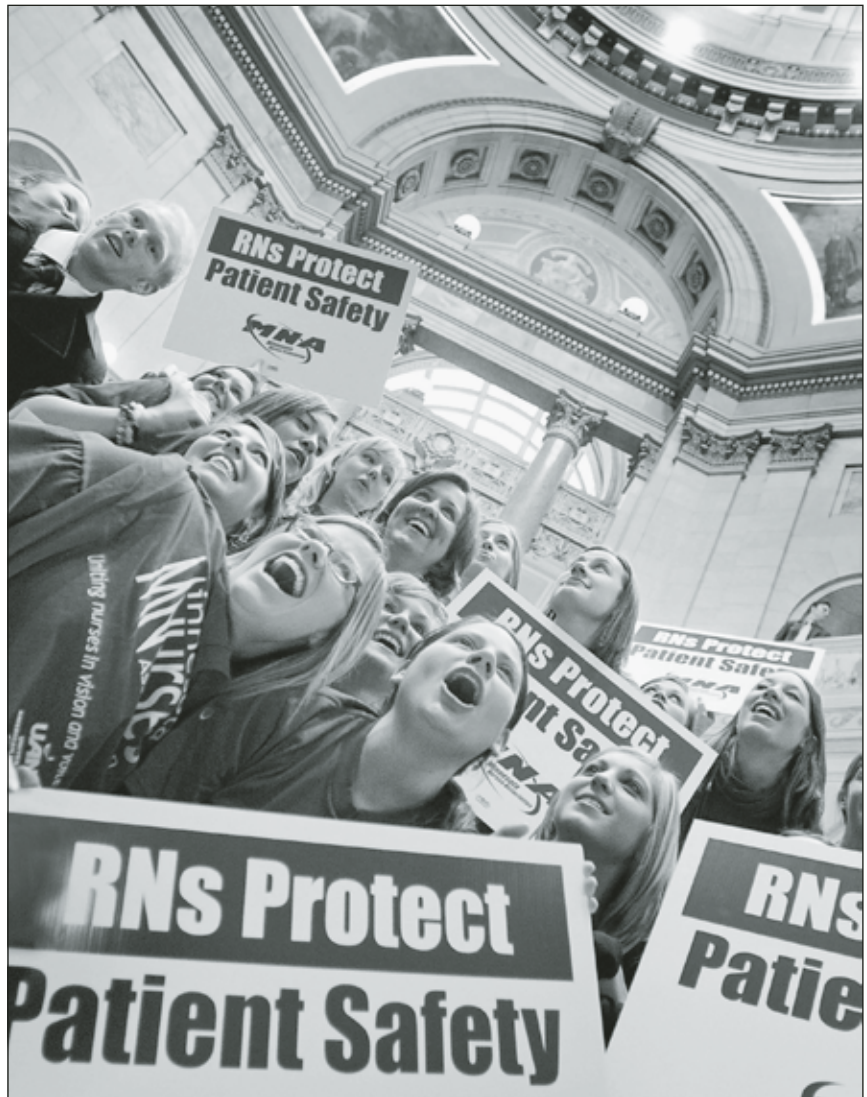


PHOTO BY ANDREW VONBANK

**Seniors from the nursing program at the College of Saint Benedict rally Feb. 23 to save public funding for General Assistance Medical Care. The students were taking part in Nurses Day on the Hill, sponsored by the Minnesota Nurses Association.**

## INDUSTRY

### License fees may change

If you work in the construction trades, take note: the state's annual license fees for contractors may change.

A House division approved a bill Feb. 19 that would change the fee structure at the Department of Labor and Industry, which licenses plumbers, electricians and dozens of other types of contractors.

Rep. Mike Obermueller (DFL-Eagan) sponsors HF2781, which would reorganize license fees so that they are tied more closely to the four trade skill levels — entry-level, journey-level, master-level and business-level — and also to the cost the department actually incurs in licensing each trade.

"It's a bill that seeks to essentially take our license system and make it more efficient and more transparent," Obermueller said, adding that he is sponsoring the legislation on the department's behalf.

Approved by the House Labor and Consumer Protection Division, the bill now awaits action by the House Commerce and Labor Committee.

Steve Sviggum, labor and industry commissioner, said the bill would not raise any new or additional revenues for the department. He said the goal is merely to add transparency and consistency to the fees for the roughly 108,000 licenses the department issues annually.

"These changes are very reflective of — and responsive of — the services, the time that

labor and industry puts into issuing a license," Sviggum said, adding that licenses currently range from \$0 up to \$450.

According to Sviggum, of the total number of licenses issued annually by the department, 51 percent will see their fee decrease, 36 percent will see their fee increase, and 13 percent will see no change. If enacted, the fee changes would take effect Jan. 1, 2012.

Sviggum added that the department consulted with all interested stakeholder groups before proposing the new fees.

A companion, SF2510, sponsored by Sen. Dan Sparks (DFL-Austin), awaits action by the Senate Business, Industry and Jobs Committee.

— N. BUSSE



## New license requirements

A bill that adds training and licensure requirements for school boiler operators and certain types of contractors is headed to the governor's desk.

Sponsored by Rep. Tim Mahoney (DFL-St. Paul), HF927\*/SF1004 would clarify statutes relating to the licensing of various construction trades. On Feb. 22, House members voted 82-50 to pass the bill, which now awaits action by Gov. Tim Pawlenty.

Selected provisions in the bill include:

- requiring eight hours of annual training for school boiler operators;
- forbidding contractors from advertising services for which they are not licensed;
- establishing licensure requirements for those who install and maintain medical gas systems; and
- requiring licensure for anyone who installs water conditioning systems.

Mahoney described the legislation as a "housekeeping bill" for the Department of Labor and Industry; however, some Republican House members voiced opposition. Rep. Torrey Westrom (R-Elbow Lake) called new licensure requirements "another piece of red tape in front of the small business owners out there."

The House originally passed the bill 78-54 on May 14, 2009. The Senate passed the bill 58-6 on May 18, 2009, after amending it.

Sen. Linda Scheid (DFL-Brooklyn Park) is the Senate sponsor.

— N. BUSSE

## INSURANCE

### Letting minors buy auto insurance

In Minnesota, 17-year-olds can legally own an automobile, but nothing in statute says they can buy their own auto insurance. A House committee approved a bill to clarify that they can.

Rep. Karla Bigham (DFL-Cottage Grove) sponsors HF2879, which she said would close a "loophole" in statute that one of her constituents found.

"It was the case that they owned a car and the kid wanted to have their own policy, and they weren't able to do it," she said.

Bigham said that state law is currently unclear as to whether minors can have their own insurance policies. She said some companies sell insurance to minors, while others do not.

Under the bill's provisions, minors could buy their own insurance if they meet the legal requirements for owning their own automobile. These include:

- being 17 and having completed driver training;

- being 17 and graduated from high school;
- being an employed, emancipated minor with a driver's license; or
- owning a car they acquired while residing in a foreign country, and which is registered in their name there.

Insurers would not be obligated to sell policies to minors, Bigham said.

"We believe this bill makes sense," said Douglas Franzen, a lobbyist representing the Property Casualty Insurers Association of America.

The House Commerce and Labor Committee approved the bill Feb. 23 and referred it to the House Civil Justice Committee. Sen. Katie Sieben (DFL-Newport) sponsors the companion, SF2592, which is scheduled to be heard March 2 by the Senate Commerce and Consumer Protection Committee.

— N. BUSSE

### Rental code enforcement sought

A 2008 state Supreme Court decision, *City of Morris v. Sax Investments Inc.*, threw enforcement of local building codes into question if they differed from those contained in the state building code. Rep. Tim Mahoney (DFL-St. Paul) told the House Local Government Division Feb. 22 that decision has made it harder for municipalities to enforce health and safety inspections of rental property.

HF2945, which Mahoney sponsors, would modify the local enforcement provision of the state building code to say that a local ordinance must not be "in conflict with," rather than "different from," any provision of the state building code. The bill would not prohibit a municipality from adopting an ordinance relating to property maintenance or rental licensing unless it conflicts with the state code.

Minneapolis Director of Building Inspection Henry Reimer said the change is necessary to maintain livability of many older neighborhoods, especially with the "unprecedented conversions of single-family homes to rental" that he said is taking place in the wake of the foreclosure crisis. "We are on the brink with a lot of neighborhoods in our state," he said.

Todd Liljenquist, director of government relations for the Minnesota Multi Housing Association, opposes the bill, saying it "undermines the uniformity of the building code. Nobody can say what 'not in conflict with' means. The building code seeks a balance between economic feasibility and safety."

"I have been trying to find whether advocates and industry positions are in conflict with each other," said Rep. Jeremy

Kalin (DFL-North Branch), "and it seems they are not. I think the concerns can be reconciled and should be, because I find both sides equally compelling and a solution does need to be found."

The division approved the bill and sent it to the House State and Local Government Operations Reform, Technology and Elections Committee. A companion, SF2759, sponsored by Sen. Dan Sparks (DFL-Austin), awaits action by the Senate Business, Industry and Jobs Committee.

— K. BERGGREN

### Division OKs 'Fill the Boot Bill'

The "Fill the Boot Bill" would streamline permission for firefighters to conduct street corner collections for a good cause.

Since 2000 in Minnesota, firefighters have raised money for the Muscular Dystrophy Association by collecting spare change from motorists stopped at red lights.

HF3017, sponsored by Rep. Joe Atkins (DFL-Inver Grove Heights), would allow a municipality to permit firefighters to use this technique for up to three days a year to benefit one registered nonprofit organization. It was approved by the House Local Government Division Feb. 22 and sent to the House State and Local Government Operations Reform, Technology and Elections Committee.

Minnesota Professional Fire Fighters President Tom Thornberg said that in the three years his members have been conducting fill the boot campaigns in Minneapolis, St. Paul and Duluth collections have increased from \$30,000 to \$300,000. He said three days is customary because three shifts of firefighters can take a different day.

Minneapolis and Duluth have expressed concerns about liability and requested statutory permission to permit them to allow such charitable solicitation, Atkins said, though they have no reservations about the cause.

MDA spokeswoman Karen Abrahamson said funds raised in Minnesota stay in the state to help fund support groups, provide health care co-payments, offer free summer camps for children, provide flu shots and \$3.2 million in research over the past five years.

A companion, SF2413, sponsored by Sen. Ann Rest (DFL-New Hope), awaits action by the Senate Commerce and Consumer Protection Committee.

— K. BERGGREN

### Tribes eligible for joint agreements

The joint powers statute allowing government entities to enter into agreements of mutual benefit lists cities, states, counties, school districts, the University of Minnesota,

certain nonprofit hospitals and rehabilitation facilities, and other entities as eligible to enter into agreements.

Rep. Bill Hilty (DFL-Finlayson) sponsors HF2797 that would add federally recognized American Indian tribes to the list of eligible entities.

"Tribes are now in a position to help develop cooperative and cost-effective solutions to health care, education, transportation emergency management, emergency response and economic development challenges along with local governments in the state of Minnesota," said Tad Johnson, Mille Lacs Band of Ojibwe special counsel on government affairs.

Johnson said the bill would authorize tribes to fully participate in a variety of statutory agreements as varied as allowing barbers to count hours cutting hair on a reservation toward their licensing requirements, to voting membership in the NLX Alliance, a group of stakeholders in a proposed railroad project from the Twin Cities to Duluth, part of which goes through tribal land.

"They accepted our dues of \$48,000, but soon discovered we couldn't vote without this statutory change," Johnson said.

The division approved an amendment adding the Minnesota Historical Society to the list. This aligns the bill with its Senate companion.

Approved Feb. 22 by the House Local Government Division, the bill was sent to the House State and Local Government Operations Reform, Technology and Elections Committee. A companion, SF2259, sponsored by Sen. Ann Rest (DFL-New Hope), passed the Senate Feb. 25.

— K. BERGGREN

### **Richfield wants firefighters nearby**

When the call for help comes, firefighters sometimes need extra help; so they call off-duty department members for backup assistance.

Richfield Fire Chief Brad Sveum would like to make sure the backups live within a 10-minute response time.

Rep. Linda Slocum (DFL-Richfield) sponsors HF2729 that would allow Richfield to impose a residency requirement based on response time for newly hired firefighters. Sveum expects to hire between two and five new firefighters in the next few years.

Sveum told the House Local Government Division Feb. 22 that his on-duty staff can respond to 90 percent of calls, but 100-150 times a year, including responses to 911 calls and requests for mutual aid from neighboring communities, calling in off-duty personnel is necessary.

State law prohibits cities in the seven-county Twin Cities metropolitan area from establishing residency requirements for city employees. Slocum said one reason this change would make sense for Richfield is that they can live in several other nearby communities and still be within the desired response time.

"In the case of Richfield, I can support this because they don't have any paid on-call or volunteers to back up full-time firefighters," said Tom Thornberg, president of Minnesota Professional Fire Fighters. "So it is important they can have people come back quickly."

Approved by the division, the bill was sent to the House State and Local Government Operations Reform, Technology and Elections Committee. A companion, SF2729, sponsored by Sen. Ken Kelash (DFL-Mpls), was recommended to pass Feb. 22 by the Senate State and Local Government Operations and Oversight Committee.

— K. BERGGREN

## **MILITARY**

### **Getting soldiers their extra pay**

Approximately 2,500 members from the Minnesota National Guard 34th Red Bull Brigade Combat Infantry Division are waiting for the extra pay they were promised by the federal government in October 2009.

Rep. Phil Sterner (DFL-Rosemount) sponsors HF2908 that urges President Obama to order the secretary of defense and other responsible federal government officials to promptly issue their claim. The resolution states that many soldiers are especially in need due to "the current economic and employment situation facing all veterans returning to the United States."

Passed 118-0 by the House Feb. 22, it now goes to the Senate where Sen. Sharon Erickson Ropes (DFL-Winona) is the sponsor.

Col. Eric Ahlness, director of government relations for the Minnesota National Guard, told a House committee that the resolution's intent is to bring the issue to the attention of federal leadership overseeing the payment of benefits in hopes it will expedite the process.

Congress enacted legislation in October 2009 authorizing implementation of the leave benefit pay. It was only recently that military leadership issued guidance on how to implement the process to pay soldiers for the months served between January 2007 and August 2007, Ahlness said. The Minnesota soldiers qualify for the \$200 per day for an extra four months of military service.

Rep. Mark Buesgens (R-Jordan) urged members to not vote for the measure because

federal leaders recently said the soldiers would be receiving their back pay as soon as March.

— P. OSTBERG

## **SAFETY**

### **Cell phones locate the missing**

When 18-year old Kelsey Smith was abducted from a Target store in Overland Park, Kan. in 2007, her parents tried to get her cell phone provider to track her down by locating her phone.

The provider, Verizon Wireless, eventually did so, but only after four days of bureaucratic wrangling. By then, it was too late: Kelsey was found dead in a wooded area in neighboring Missouri.

"After Verizon finally did the right thing and sent an engineer to the tower that Kelsey's phone last made contact with, Kelsey's body was found in 45 minutes," said Missy Smith, Kelsey's mother.

Smith and her husband, Greg, appeared before a House division Feb. 19 to testify in support of a bill designed to help prevent similar tragedies in Minnesota.

Sponsored by Rep. Sheldon Johnson (DFL-St. Paul), HF2639 would require cell phone companies to work with law enforcement to track down missing persons who are believed to be in imminent danger. The House Telecommunications Regulation and Infrastructure Division approved the bill and referred it to the House Commerce and Labor Committee.

Currently, federal law states that cell phone providers may disclose information on customers' call locations to law enforcement agencies in situations where the person is believed to be at risk of death or serious personal harm. Johnson said the bill would make this a requirement.

"Time is of the absolute essence when a person goes missing," said Greg Smith, a former police officer. "In an abduction case, if no credible lead is found within the first 48 hours, the chances of returning that person home safe and sound are almost zero."

To address privacy concerns, Johnson said information on users' call history or the content of phone conversations would not be disclosed.

Bob Bass, president of AT&T Minnesota, said his company supports the bill, and already has a "state-of-the-art system" to help law enforcement locate cell phone users in emergencies.

"We can triangulate your location within 50 to 100 meters," Bass said.

Lobbyists representing Verizon and Sprint



PHOTO BY TOM OLMSCHIED

**Michael McDermott, left, executive director of state public policy for Verizon Wireless, interrupts his testimony to express his condolences to Greg and Missy Smith for the loss of their daughter, Kelsey, who was taken from a Target Store in Overland Park, Kan., and found dead four days later. McDermott spoke in favor of a bill that would authorize wireless telecommunications service providers to provide call locations for emergencies.**

also testified in support of the bill.

A companion, SF2470, sponsored by Sen. Yvonne Prettner Solon (DFL-Duluth), awaits action by the Senate Judiciary Committee.

— N. BUSSE

### Inflatable indoor park safety

Indoor amusement parks with inflatable rides can be fun places to take children, but critics say they're dangerous when not properly supervised.

Rep. Karla Bigham (DFL-Cottage Grove) sponsors HF1746, which would require inflatable play parks to have trained staff on hand to supervise the rides, among other safety measures. The House Commerce and Labor Committee approved the bill Feb. 23 and referred it to the House Civil Justice Committee.

Lisa Schmidt of Victoria testified in support of the bill. She said her son, Ryan, suffered a fractured skull and bleeding in his brain after he fell from a slide at the Pump It Up indoor play park in Eden Prairie. She read through the names other children who had been seriously injured in similar incidents in recent years.

Schmidt said that parents often drop their children off for parties or other events at inflatable play parks believing that they will be properly supervised. She argued the business owners are being negligent in not adopting

safety standards recommended by inflatable device manufacturers.

"It's the very way that they're running their business against these standards that's contributing to these injuries," Schmidt said.

Under the bill's provisions, owners of these facilities would have to follow the recommended safety guidelines for each inflatable amusement device, which often includes having padding or other safety equipment installed in or around the rides. Moreover, the bill would require that at least one trained staff person be on hand to actively supervise each ride or device.

Businesses covered by the regulations would have to pay a \$100 fee and register every two years with the Department of Labor and Industry, which would be responsible for enforcing compliance. Business owners would also be required to buy certain levels of liability insurance to cover accidental death or injury.

Bigham said the regulations would only apply to indoor parks with inflatable rides, and would not affect businesses that rent out inflatable rides for use at parties and events.

Sen. Katie Sieben (DFL-Newport) sponsors the companion, SF1590, which awaits action by the Senate Judiciary Committee.

— N. BUSSE

### Expand MSP airport or study options

A lot has happened in the world of aviation since the last Minneapolis-St. Paul International Airport Long-Term Comprehensive Plan was drafted in 1996.

Emerging from its \$3.2 billion expansion program, the Metropolitan Airports Commission is proposing \$2.4 billion in additional improvements, primarily at the state's largest airport.

An updated comprehensive plan, presented to the House Transportation and Transit Policy and Oversight Division Feb. 24, calls for gate additions, a cross-bound taxiway for planes, inter-terminal light rail expansion, a hotel operated by a third party and remodeling at both terminals. The improvements would be completed by 2030.

After receiving its last public hearing earlier this month, the plan must still be finalized and approved by the Metropolitan Council and the commission board.

Although the MAC does not need legislative authority to move forward, Rep. Sandra Masin (DFL-Eagan) said the presentation did not address noise mitigation issues, and Rep. Bernie Lieder (DFL-Crookston) said he suspects the Legislature would issue a moratorium, similar to the previous expansion/relocation debate during the 1990s. Rep. Alice Hausman (DFL-St. Paul) asked for information on airport impacts if alternative modes of transportation are developed, such as high-speed rail between the Twin Cities and Chicago.

Minneapolis Mayor R. T. Rybak told division members to consider an alternative plan that would diffuse airport traffic, as well as its economic benefits, among the metro area, Rochester and St. Cloud. Rep. Dean Urdahl (R-Grove City) said he was intrigued with the concept of decentralized airports and suggested one be named "Twine Ball International."

— S. HEGARTY

If you will be visiting the Capitol in the near future, call the Capitol Historic Site Program at 651-296-2881 to schedule a tour.

Watch for House Public Information Services updates at [www.twitter.com/MNHouseInfo](http://www.twitter.com/MNHouseInfo)



# From veto fear to positive outlook

Instead of starting over, governor and legislators seek compromise

By MIKE COOK

**R**ound and round it goes and when it will stop, nobody knows. However, it could be soon.

Less than 48 hours after the Legislature passed a nearly billion-dollar bonding bill, despite Gov. Tim Pawlenty's announcement that he would veto the entire bill, the chairs of the respective capital investment committees had a more positive tone about what could happen.

"Definitely next week we want to get it on the governor's desk," Sen. Keith Langseth (DFL-Glyndon) said after a Feb. 24 closed-door meeting between conference committee members and the governor.

"We are still very serious about moving this bill quickly, our motivation has not changed," added Rep. Alice Hausman (DFL-St. Paul).

Added Brian McClung, the governor's spokesman, "Both sides agree we're willing to do some work, we're willing to continue the conversation. Both sides agree that it's in the best interests of the state to pass a bonding bill, but it's got to be affordable and it's got to be prioritized."

The optimism is far different from two days prior.

Passed Feb. 22 by the House and Senate, HF2700\*/SF2360 calls for \$999.92 million in general obligation bonding, but lacks many projects the governor wants in a final product. Pawlenty repeatedly warned legislators he would not sign a bill totaling more than \$725 million, calling it fiscally irresponsible when the state faces a \$1.2 billion biennial budget shortfall.

"There was no confusion what our expectations were for this bill regarding size, regarding priorities or the like," Pawlenty said at a press conference the next day.

The bill provides money for investments in higher education, flood mitigation, transportation and transit improvements, and clean water infrastructure and environmental protection.

Supporters say now is the time for a larger bill because of lower construction bids and low interest rates. Plus, they said it would create more than 20,000 new jobs, many to begin once the frost is out of the ground.

But the bill never made it to the governor's desk.

House Speaker Margaret Anderson Kelliher (DFL-Mpls) announced 90 minutes before the governor's press conference that she would use a legislative rule to return the House file to the Senate.

"I think it will allow, for, maybe, a little cooling off period here in the next 24-48 hours," Kelliher said.

Legislators and Pawlenty agreed to discuss their differences and see where compromise could be made, especially for public safety.

In his veto-warning letter, Pawlenty criticized what was missing from their bill, including \$89.07 million for an expansion of the sex offender treatment program in Moose Lake, a security system upgrade at the Oak Park Heights prison, renovations at the Minneapolis Veterans Home and he wanted language to lift a cap that would clear the way for a land purchase for a proposed Lake Vermilion State Park. However, he noted the bill contains funding for "various sports facilities and civic centers, trail enhancements, and other local earmark projects."

The bill contains no money for the Moose Lake facility, but instead calls for the corrections, human services and administration commissioners to "study the potential for using existing vacant or underused state facilities including regional treatment centers, for the sex offender treatment program." A report would be due the Legislature by Jan. 15, 2011. The original House bill contained the funding; the Senate



PHOTO BY TOM OLMSCHIED

Chris DeLaForest, left, Gov. Tim Pawlenty's director of Legislative and Cabinet Affairs, and Sen. Keith Langseth, right, listen as Rep. Alice Hausman asks a question during a Feb. 24 meeting of a working group of the Capital Investment Conference Committee.

Capital Investment continued on page 23

# And the cupboard is bare

More Minnesotans struggle to put food on the table

By LAUREN RADOMSKI

**R**ep. Patti Fritz (DFL-Faribault) was at a church service a few months ago when a woman in a neighboring pew tapped her on the shoulder. The woman told Fritz she had worked all her life, but was struggling to feed her children in light of her husband's job loss. She asked Fritz to do something about it.

Now Fritz sponsors one of two bills targeted at hungry Minnesotans — a growing group. One in 10 Minnesotans visited a food shelf last year, with total visits up by 23 percent from 2008. As of November, more than 400,000 Minnesotans were enrolled in Food Support, the federal nutrition assistance program formerly called food stamps.

Fritz sponsors HF453 that would eliminate state-imposed asset limits on Food Support eligibility and raise the maximum qualifying income to about \$30,000 annually. Another bill, HF2799, would increase the state appropriation to food shelves by \$500,000 beginning in the current biennium. The legislation is sponsored by Rep. John Benson (DFL-Minnetonka).

"It is a fundamental human right to have sufficient nutrition," Benson told the House Housing Finance and Policy and Public Health Finance Division Feb. 17. "It also affects all other areas of the society, from health care to even corrections — all these other issues that relate to this fundamental need for nutrition."

## Who's hurting

The past two years have been especially tough for Minnesotans who were struggling even before the recession. According to the Department of Human Services, more than half of Food Support applicants each month since June 2008 had received similar assistance in the past five years. State officials also attribute much

of the increase in the Food Support caseload to a 2009 policy change that allowed childless adults to stay in the program longer.

But county case workers and food shelf managers are seeing more of another demographic: the middle class. At Channel One Food Bank and Food Shelf in Rochester, visits were up by 30 percent each month of 2009 compared with the same month in 2008. Executive Director Cynthia Shaffer credits the increase to more first-time visits among the middle class.

***One in 10 Minnesotans visited a food shelf last year, with total visits up by 23 percent from 2008.***

"These were not people who were used to using the system," she said.

Unemployment is a major factor, but it's not just the jobless who need help. Byron Laher is president of Community Emergency Assistance Program, Inc. (CEAP), which runs three food shelves in the north metro. He says most CEAP clients are working and visit only when they're desperate. The average family comes in three times a year.

"They are working, they are right on the edge," Laher said. "And a car repair, kids need clothes, rent gets raised — those are the things that throw these families into a real economic turmoil."

Under current law, some of those "on the edge" families don't qualify for Food Support because they have savings and other assets totaling more than \$7,000. Supporters of Fritz's bill hope her proposal will remedy the situation.

"The reason we don't want asset tests there (is) so if you lose your job for six months (and) you need the money for a short time, we don't want you spending down your assets because

then you'll never be able to build yourself back up," said Rep. Paul Thissen (DFL-Mpls), a member of the House Health Care and Human Services Finance Division. Division members laid the bill over

Feb. 16 for possible inclusion in an omnibus bill. A companion, SF481, sponsored by

**Human Services continued on page 23**



PHOTO BY TOM OLSCHIED

**Volunteers at the Friends in Need Food Shelf in St. Paul Park pack bags of groceries for recipients.**

# To have and to hold

Trio of bills would permit same-sex marriage, but opponents voice concern

By MIKE COOK

**J**acob Reitan just wants what his three siblings had.

He was the best man when his two brothers got married, and was the man of honor at his sister's wedding. However, he won't be able to have them in his wedding unless it occurs in another state. Jacob is gay.

"I want my son to be able to marry the person he loves, just as I was able to do 38 years ago," said his mother, Randi Reitan.

Sponsored by Rep. Phyllis Kahn (DFL-Mpls), HF893 would permit same-sex marriages in Minnesota. It would also replace gender-based marriage terminology in state law and rule with gender-neutral terms.

The House Civil Justice Committee held an informational hearing on the bill, and two others, Feb. 22. Rep. Joe Mullery (DFL-Mpls), the division chairman, said no action is expected this session, but same-sex marriage is an issue people want discussed.

Also heard by the division were:  
• HF999, sponsored by Mullery, that would

replace the concept of "marriage" within state law with a "civil union contract;" and

- HF1740, sponsored by Rep. Ryan Winkler (DFL-Golden Valley), which would provide that same-sex marriages validly performed in other states would be recognized as valid in Minnesota.

A companion to Kahn's bill, SF120, sponsored by Sen. John Marty (DFL-Roseville), and a companion to Winkler's bill, SF1732, sponsored by Sen. Patricia Torres Ray (DFL-Mpls), await action by the Senate Judiciary Committee. Mullery's bill has no Senate companion.

Three bills have been introduced to constitutionally ban same-sex marriage and Mullery said those sponsors opted not to present their bills.

"It's not that we don't want them heard, it's just that we've got a lot of other things that are on the agenda right now, including solving a budget and some other things," said Rep. Steve Drazkowski (R-Wabasha), who sponsors HF1871. "Do we want to delve into this divisive issue at this point?"

According to OutFront Minnesota, 14 states and the District of Columbia have enacted legislation to provide legal benefits for same-sex couples and two recognize marriages performed in other states. Iowa, Massachusetts, Connecticut, Vermont and New Hampshire have civil marriage benefits for same-sex couples.

Among the arguments made by same-sex marriage proponents are economic costs, such as lower health and life insurance; highly talented people won't want to work in the state because they would be giving up a basic civil right; and the happiness they have for one another.

"Families like ours are not going anywhere," said Chris Dolan of St. Paul. He and his partner, Ryan, were married in Toronto. A mother giving up her daughter for adoption has since picked them from more than 70 other families.

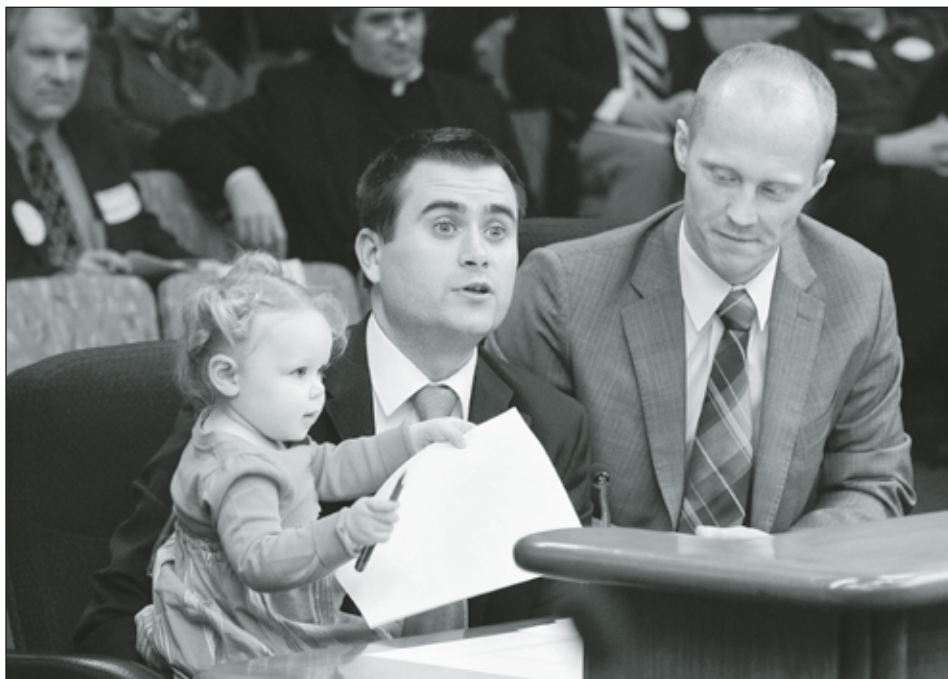


PHOTO BY ANDREW VONBANK

Chris and Ryan Dolan testify with their 2-year-old daughter, Olivia, before the House Civil Justice Committee Feb. 22 in support of legislation that would create gender-neutral marriage laws and recognize in Minnesota marriages performed in other states.

Family continued on page 23



## Monday, Feb. 22

### **HF3082-Lenczewski (DFL)** **Finance**

State budget balancing appropriations reduced; calculation modified for state aids and credits to cities, counties, school districts and other local governments.

### **HF3083-Buesgens (R)** **Finance**

Revenue and appropriation proposal review period established.

**HF3084-Dittrich (DFL)**  
**Environment Policy & Oversight**  
Congress and the secretary of agriculture memorialized to appropriate money and negotiate with the State of Minnesota on the sale and exchange of school trust lands.

### **HF3085-Marquart (DFL)** **Taxes**

Eminent domain awards and property tax adjustments and refunds exempted from increased interest rates on certain judgments.

### **HF3086-Thissen (DFL)** **Health Care & Human Services Policy & Oversight**

Access to health records provided to surviving domestic partners; domestic partners included in provisions governing health care rights, consent to autopsies and anatomical gifts.

### **HF3087-Seifert (R)** **State & Local Government Operations Reform, Technology & Elections**

Moratorium imposed on unfunded mandates to businesses and units of local government, and commissions created to recommend elimination of unfunded mandates on units of local government and to reduce mandates and paperwork imposed on businesses.

**HF3088-Hayden (DFL)**  
**Health Care & Human Services Policy & Oversight**  
Children and family service technical and policy provisions changed, Minnesota Family Investment Program and adult supports provisions changed and child welfare provisions changed.

**HF3089-Paymar (DFL)**  
**Public Safety Policy & Oversight**  
Statutory cap exception provided on bail for certain non-felony domestic abuse offenders, domestic abuse no-contact order law recodified and clarified, tampering with a witness crime expanded and data communications network requirement clarified.

**HF3090-Hilstrom (DFL)**  
**Public Safety Policy & Oversight**  
Stalking crime modified.

**HF3091-Demmer (R)**  
**Finance**  
Lake Shady funding provided for dredging and maintenance.

**HF3092-Shimanski (R)**  
**Taxes**  
Hutchinson authorized to impose a sales and use tax.

**HF3093-Mariani (DFL)**  
**K-12 Education Policy & Oversight**  
Alternative teacher preparation program and limited-term teacher license established.

**HF3094-Eken (DFL)**  
**Environment Policy & Oversight**  
Natural resources provisions modified relating to administrative accounts, electronic transactions, registration exemptions, ATV restrictions, state trails and boating routes, fees and disposition of receipts, bidding exemptions, horse trail pass, master plan requirements, beaver dams, the Water Law, nongame wildlife check-offs, and Lake Vermilion State Park acquisition provided.

**HF3095-Bly (DFL)**  
**K-12 Education Policy & Oversight**  
History of organized labor and collective bargaining included in the academic standards.

**HF3096-Pelowski (DFL)**  
**State & Local Government Operations Reform, Technology & Elections**  
Rehabilitation facility, extended employment provider and day training and habilitation service program provisions changed.

**HF3097-Juhnke (DFL)**  
**Commerce & Labor**  
Private shared services regulated.

**HF3098-Loeffler (DFL)**  
**Health Care & Human Services Policy & Oversight**  
Statewide trauma system provisions modified.

**HF3099-Champion (DFL)**  
**Transportation & Transit Policy & Oversight Division**  
Commissioner of transportation directed to require bids for federally assisted contracts to include information on the inclusion of disadvantaged business enterprises, commissioner required to provide training for disadvantaged business enterprises, and reporting requirements imposed.

**HF3100-Marquart (DFL)**  
**Taxes**  
Levy provided for county aid reductions and computation of the adjusted levy limit base modified.

**HF3101-Doty (DFL)**  
**Agriculture, Rural Economies & Veterans Affairs**  
Minnesota "Support our Troops" account eligible money use expanded.

**HF3102-Emmer (R)**  
**State & Local Government Operations Reform, Technology & Elections**  
Agency rulemaking activity provided to take place only when the Legislature is not meeting in regular session, newly adopted rules provided to expire at the end of the next legislative session and rulemaking procedures modified.

**HF3103-Drazkowski (R)**  
**Public Safety Policy & Oversight**  
Child pornography related definition amended.

**HF3104-Kohls (R)**  
**Finance**  
Level of budgeted spending limited to the amount collected in the prior biennium; constitutional amendment proposed.

**HF3105-Downey (R)**  
**Finance**  
Information required to determine return on investment for capital requests.

**HF3106-Bigham (DFL)**  
**Public Safety Policy & Oversight**  
Implied consent, driving while impaired and ignition interlock provisions modified.

**HF3107-Dettmer (R)**  
**Taxes**  
Property, agricultural land and boarding of horses.

**HF3108-Winkler (DFL)**  
**State & Local Government Operations Reform, Technology & Elections**  
Elections provisions modified.

**HF3109-Kalin (DFL)**  
**Finance**  
Local assessments for energy improvements by cities and counties permitted, and green revenue bonds authorized.

**HF3110-Severson (R)**  
**State & Local Government Operations Reform, Technology & Elections**  
Authorized proofs of residence changed, provision eliminated permitting vouching for certain voters on

Election Day and provisional ballots provided.

**HF3111-Winkler (DFL)**  
**State & Local Government Operations Reform, Technology & Elections**  
Ballot board use required to process absentee ballots, absentee ballots permitted to be counted starting on the fourth day prior to election and other absentee ballot processing procedures modified.

**HF3112-Hayden (DFL)**  
**Finance**  
Emergency general assistance and emergency Minnesota supplemental aid programs funding provided.

**HF3113-Hamilton (R)**  
**Finance**  
Minnesota Assistance Council for Veterans funding provided for continued services to Minnesota veterans and their families who are homeless or at risk of being homeless.

**HF3114-Knuth (DFL)**  
**Health Care & Human Services Policy & Oversight**  
Department of Health criteria amended for designation of a chemical as a "priority chemical."

**HF3115-Norton (DFL)**  
**K-12 Education Policy & Oversight**  
Statewide physical education standards and report required, and healthy kids awards program established.

**HF3116-Swails (DFL)**  
**Health Care & Human Services Policy & Oversight**  
Hospital construction moratorium modified.

**HF3117-Morrow (DFL)**  
**Transportation & Transit Policy & Oversight Division**  
Motor carrier contracts regulated and indemnification provisions prohibited.

**HF3118-Doty (DFL)**  
**Environment Policy & Oversight**  
Cass, Crow Wing and Morrison counties; Camp Ripley Veterans Trail designated as a state trail.

**HF3119-Mullery (DFL)**  
**Finance**  
Minority Workforce Collaborative funding provided.

**HF3120-Bly (DFL)**  
**K-12 Education Policy & Oversight**  
Efficiency plus access task forces created.

**HF3121-Davnie (DFL)****Commerce & Labor**

Conditions expanded under which penalties may be assessed against alcohol license holders and maximum penalties increased.

**HF3122-Juhnke (DFL)****Commerce & Labor**

Licensing and regulation provided for appraisal management companies.

**HF3123-Morgan (DFL)****Finance**

K-12 special education third-party billing process made more cost effective.

**HF3124-Dill (DFL)****Environment Policy & Oversight**

Aquaculture provisions modified; provisions for taking, possessing and transporting wild animals modified; fish and wildlife management plans requirements modified; and game and fish license provisions modified.

**HF3125-Hilty (DFL)****Energy Finance & Policy Division**

Route permits for high-voltage transmission lines granting regulated.

**HF3126-Cornish (R)****Environment Policy & Oversight**

Deer, moose and elk stand height restrictions removed.

**HF3127-Davnie (DFL)****Commerce & Labor**

Administrative, benefit and tax provisions modified.

**HF3128-Hilstrom (DFL)****Civil Justice**

Powers clarified for health care agents, guardians and others to make health care decisions for wards and protected persons; governing guardians and conservators provisions modified.

**HF3129-Torkelson (R)****K-12 Education Policy & Oversight**

Career and technical levy reporting requirements repealed.

**HF3130-Lesch (DFL)****Public Safety Policy & Oversight**

Fire departments authorized to access criminal history data on current employees.

**HF3131-Mullery (DFL)****Public Safety Policy & Oversight**

Interstate Compact for Juveniles adopted.

**HF3132-Mullery (DFL)****Civil Justice**

Fees and expenses awarded to prevailing parties in certain actions involving municipalities.

**HF3133-Hornstein (DFL)****Higher Education & Workforce Development Finance & Policy Division**

Workers' compensation benefits provided for domestic partners, domestic partners of military members in employee leave requirements included and payment of wages due to a deceased employee to a surviving domestic partner provided.

**HF3134-Hornstein (DFL)****Civil Justice**

Probate and intestate rights established for domestic partners.

**HF3135-Simon (DFL)****Civil Justice**

Wrongful death actions by domestic partners provided, and witness privilege and crime victim rights for domestic partners established.

**HF3136-Rukavina (DFL)****Civil Justice**

Funds required to be applied to arrears.

**HF3137-Mullery (DFL)****Public Safety Policy & Oversight**

Chemical use screen required of juvenile offenders.

## Thursday, Feb. 25

**HF3138-Jackson (DFL)****Health Care & Human Services Policy & Oversight**

County board authorized to ascertain whether the adult next of kin of a decedent has sufficient funds to pay for funeral expenses before the county assumes responsibility.

**HF3139-Bigham (DFL)****Civil Justice**

Financial records release authority reinstated in response to a subpoena.

**HF3140-Kohls (R)****Health Care & Human Services Policy & Oversight**

Social Security numbers excluded from Medical Assistance documents filed with the county recorder or registrar of titles.

**HF3141-Bigham (DFL)****Finance**

Revolving account funded with taxes paid by assisted productions established; reporting requirements modified.

**HF3142-Hayden (DFL)****Finance**

Local government aid modified and human services money appropriated.

**HF3143-Nornes (R)****State & Local Government Operations Reform, Technology & Elections**

Council membership requirements amended.

**HF3144-Brynaert (DFL)****Commerce & Labor**

Local government employees required to approve participation in, or withdrawal from, the public employee's insurance program.

**HF3145-Atkins (DFL)****Transportation & Transit Policy & Oversight Division**

Vehicle weight limitations violations penalties and requirements modified.

**HF3146-Atkins (DFL)****Commerce & Labor**

Continuing education provisions modified; insurance laws amended involving insurance company rehabilitation and liquidation, group life insurance, use of mortality tables, the Life and Health Insurance Guaranty Association and mutual insurance companies.

**HF3147-Jackson (DFL)****Taxes**

Use of reports and testimony by assessors provided.

**HF3148-Lieder (DFL)****Finance**

Center for Transportation Studies study on motor fuel used for non-highway purposes funding provided.

**HF3149-Kahn (DFL)****State & Local Government Operations Reform, Technology & Elections**

Payment of compensation to legislators timing changed.

**HF3150-Davnie (DFL)****Health Care & Human Services Policy & Oversight**

Blood level guidelines established.

**HF3151-Laine (DFL)****Health Care & Human Services Policy & Oversight**

Viewing, transportation and removal of a dead human body provisions modified.

**HF3152-Bunn (DFL)****Environment Policy & Oversight**

Land use allowed within the Lower St. Croix River area.

**HF3153-Benson (DFL)****Finance**

Building lease levy allowance increased.

**HF3154-Benson (DFL)****Finance**

School district transfer authority extended from the reserved for operation capital account to the undesignated general fund.

**HF3155-Benson (DFL)****Finance**

Referendum allowance limit increased for certain school districts.

**HF3156-Benson (DFL)****Finance**

Equity revenue formula modified.

**HF3157-Mahoney (DFL)****K-12 Education Policy & Oversight**

Parent notification of child maltreatment in a school facility modified, mental health assessment required of teachers disciplined for child maltreatment, teaching license revoked of repeat child maltreatment offenders, and district policy required for educating employees about mandatory child maltreatment reporting.

**HF3158-Olin (DFL)****Energy Finance & Policy Division**

Electric energy importation from coal-fired power plants in other states prohibition repealed.

**HF3159-Jackson (DFL)****Taxes**

Class rate reduced on certain agricultural property.

**HF3160-Jackson (DFL)****Taxes**

Method provided for valuation of agricultural property in the Green Acres program, and the Minnesota agricultural property tax law modified.

**HF3161-Jackson (DFL)****Taxes**

Green Acres program withdrawal deadline extended.

**HF3162-Dill (DFL)****Environment Policy & Oversight**

Congress memorialized to effect change in U.S. Coast Guard law relating to fishing guides.

**HF3163-Mariani (DFL)****K-12 Education Policy & Oversight**

Prekindergarten through grade 12 funding provided, including general education, education excellence, special programs and early childhood education.

**HF3164-Haws (DFL)****Higher Education & Workforce Development Finance & Policy Division**

Transfer of credits regulated within institutions belonging to the Minnesota State Colleges and Universities system.

**HF3165-Dettmer (R)****Transportation & Transit Policy & Oversight Division**

Single license plate allowed to be displayed vertically on certain vehicles.

**HF3166-Dettmer (R)****Finance**

Optional six-month vehicle registration period provided.

**HF3167-Fritz (DFL)**  
**Health Care & Human Services Policy & Oversight**  
Chiropractic related definitions added.

**HF3168-Nelson (DFL)**  
**Transportation & Transit Policy & Oversight Division**  
Escort drivers of over-dimensional loads allowed to control traffic, and commissioner of public safety directed to establish escort driver training and certification program.

**HF3169-Hansen (DFL)**  
**Finance**  
Thompson Lake remediation funding provided.

**HF3170-Davnie (DFL)**  
**Commerce & Labor**  
Payday lending regulated.

**HF3171-Cornish (R)**  
**Taxes**  
Public safety radio communications equipment exemptions provided.

**HF3172-Cornish (R)**  
**K-12 Education Policy & Oversight**  
Baseball field advertisements permitted.

**HF3173-Beard (R)**  
**Transportation & Transit Policy & Oversight Division**  
Railroad property exempted from storm sewer or storm water utility assessments, levies or charges.

**HF3174-Bigham (DFL)**  
**Public Safety Policy & Oversight**  
Predatory offender registration law amended to address registrants living in homeless shelters and to clarify that the registration requirement for offenders who move out of state are suspended, not terminated.

**HF3175-Olin (DFL)**  
**Health Care & Human Services Policy & Oversight**  
Pools owned and operated by a private organization exempted from the definition of a public pool.

**HF3176-Slocum (DFL)**  
**Finance**  
Charter school provisions modified, commission created and charter schools permitted to borrow money.

**HF3177-Beard (R)**  
**Environment Policy & Oversight**  
Pollution Control Agency required to refund erroneous assessments, costs and payments in the matter of the Baytown groundwater contamination Superfund site.

**HF3178-Thao (DFL)**  
**Health Care & Human Services Policy & Oversight**  
Medical Assistance providers required to use oral language interpreters who are listed in the interpreter registry or roster.

**HF3179-Magnus (R)**  
**Finance**  
Casey Jones State Trail funding provided.

**HF3180-Welti (DFL)**  
**Finance**  
Veteran cemeteries appropriation modified.

**HF3181-Sterner (DFL)**  
**State & Local Government Operations Reform, Technology & Elections**  
City payments provided to towns following annexation.

**HF3182-Winkler (DFL)**  
**State & Local Government Operations Reform, Technology & Elections**  
Incorporations temporarily prohibited, and study required.

**HF3183-Liebling (DFL)**  
**State & Local Government Operations Reform, Technology & Elections**  
Urban or suburban defined in character for the purpose of annexation, and factor added to be considered in annexation.

**HF3184-Champion (DFL)**  
**State & Local Government Operations Reform, Technology & Elections**  
Employment guidance created for using bond proceeds.

**HF3185-Atkins (DFL)**  
**Civil Justice**  
Time period increased for commencing probate or appointment proceedings, and conforming changes made.

**HF3186-Atkins (DFL)**  
**Commerce & Labor**  
Minneapolis liquor license provision clarified.

**HF3187-Bigham (DFL)**  
**Civil Justice**  
Civil commitment oath or affirmation provided without notarization and the acceptability of electronic signatures and documents.

**HF3188-Nornes (R)**  
**Agriculture, Rural Economies & Veterans Affairs**  
Minnesota Congressional delegation called to fully support and fund passage of the Agent Orange Equity Act of 2009.

**HF3189-Peppin (R)**  
**Finance**  
Dayton; local road improvement program funding provided for reconstructing Hennepin County Road 49.

**HF3190-Hackbarth (R)**  
**Environment Policy & Oversight**  
Off-highway vehicle seasons modified, off-highway vehicle youth operation requirements modified and nonresident all-terrain vehicle state trail pass modified.

**HF3191-Morrow (DFL)**  
**Health Care & Human Services Policy & Oversight**  
Sexual contact in secure treatment facilities included as criminal sexual conduct in the fourth degree.

**HF3192-Poppe (DFL)**  
**State & Local Government Operations Reform, Technology & Elections**  
Minnesota State Colleges and Universities employee coverage specified, and employer required to provide certain notices.

**HF3193-Hilstrom (DFL)**  
**Commerce & Labor**  
Credit scores and other credit information regulated in insurance underwriting.

**HF3194-Norton (DFL)**  
**Health Care & Human Services Policy & Oversight**  
Nurse Licensure Compact provided, and appointments provided.

**HF3195-Peterson (DFL)**  
**Finance**  
Early childhood education program created for at-risk 4 year olds.

**HF3196-Hosch (DFL)**  
**Health Care & Human Services Policy & Oversight**  
Home health care services regulating provisions modified.

**HF3197-Eken (DFL)**  
**Environment Policy & Oversight**  
Watershed district permit requirement applicability modified.

**HF3198-Dill (DFL)**  
**Taxes**  
Property tax exemption provided for property leased to charter schools.

**HF3199-Dill (DFL)**  
**Environment Policy & Oversight**  
St. Louis County; public and private sales authorized of certain tax-forfeited land.

**HF3200-Peterson (DFL)**  
**Finance**  
Early childhood community partnerships grant program created.

**HF3201-Brynaert (DFL)**  
**Health Care & Human Services Policy & Oversight**  
Medical Assistance employed persons with disabilities program modified and asset limitation provisions changed.

**HF3202-Dill (DFL)**  
**Environment Policy & Oversight**  
Intermediate auction timber sale provisions modified.

**HF3203-Anzelc (DFL)**  
**Transportation & Transit Policy & Oversight Division**  
Koochiching County; International Falls; Route No. 297 and a portion of Route No. 332 removed from trunk highway system.

**HF3204-Brown (DFL)**  
**Commerce & Labor**  
Video lottery terminal established, tax imposed on lottery terminal revenue, other lawful gambling taxes modified, powers and duties provided to the director of the state lottery and changes made.

**HF3205-Mahoney (DFL)**  
**Finance**  
Preference created for community banks and credit unions for the state's general revenue account, state depository accounts required to be held in community banks or credit unions, and a study required of possible further use of community banks and credit unions by the state and municipalities.

**HF3206-Rukavina (DFL)**  
**State & Local Government Operations Reform, Technology & Elections**  
Authority modified of the commissioner of Minnesota Management & Budget to reduce allotments.

**HF3207-Sailer (DFL)**  
**Environment Policy & Oversight**  
Cross-country ski trail pass fees increased and an exception provided for school activities.

**HF3208-Slawik (DFL)**  
**Early Childhood Finance & Policy Division**  
Unique identification number required to be assigned to all Minnesota children at the time of birth.

**HF3209-Greiling (DFL)**  
**Early Childhood Finance & Policy Division**  
Child care centers required to develop a risk reduction plan, and the term non-maltreatment mistake defined.



## Capital Investment continued from page 17

had a \$1 million placeholder.

Dennis Benson, executive director of the sex offender program, told conferees that the facility is already overcrowded and that about 65 more patients are expected to be added in each of the next five or six years. "I don't think we want to be careless, reckless or flippant about how we're going to manage these people," he said.

"Even the Republicans are voicing some concerns about the cost of the facility and also the program," Langseth said. "I have always said I think that before the end of session there'll be something on Moose Lake, but I think the number is going to be somewhat lower. We're going to try to figure out what we need to do with that programming area. ... It just baffles me that a kitchen and some rooms are going to be \$61 million."

Another Pawlenty criticism is that the bill was finalized behind closed doors, and released to the public in the wee hours of the morning.

Conferees met for the first time at 3 p.m. Feb. 21 to hear testimony about the sex offender facility request and some other housing issues, recessed at about 4:30 p.m. and returned more than eight hours later to accept the spreadsheet just before 1 a.m. Feb. 22. Language details were finalized later that morning, and both bodies approved the bill that evening.

"I think that all of this should happen in public from here on out; budget negotiations, everything else," Kelliher said. "I'm willing to take the governor up on that." 🗽

## Human Services continued from page 18

Sen. Linda Berglin (DFL-Mpls), awaits action by the Senate Finance Committee.

Benson's bill was also laid over for possible inclusion in an omnibus bill following his

testimony before the housing division. A companion, SF1607, sponsored by Sen. Katie Sieben (DFL-Newport), is also before the Senate Health and Human Services Budget Division.

Food assistance got a big boost from the American Recovery and Reinvestment Act of 2009, which gave most four-member Food Support households an \$80 increase in their monthly grocery benefit. The legislation also provided \$100 million for the federal program that distributes commodity foods from the U.S. Department of Agriculture to states, where food banks allot goods to food shelves, soup kitchens and shelters.

Donations to food shelves are also up, but not enough to match demand, said Colleen Moriarty, executive director of Hunger Solutions Minnesota.

"The charitable system alone simply cannot handle the crush of people that have found themselves in the position of having little or no income at all for a substantial period," Moriarty said.

The challenge for lawmakers is how to address the need when so many issues are high-priority and high-cost. Broadening access to federally-funded Food Support wouldn't have a direct impact on the state budget, but as Rep. Laura Brod (R-New Prague) observed, the federal dollars need to come from somewhere.

"It's not free money. It's not separate money," she said. "It's all money that comes out of the pockets of the hard working people of this state."

Bill supporters maintain the cost is worth it.

"I understand the dramatic economic strain that you have in dealing with the budget," Moriarty told members of the housing division, "but your neighbors and your friends are dealing with this on a daily basis." 🗽

## Family continued from page 19

"She told us the best example in her life of a healthy relationship was a gay relative and his partner. She told us that we reminded her of them, and thought we were best able to raise Olivia and give her the love and care she deserved," he said.

Opponent arguments included sexual activity between gay people leads to more disease, religious beliefs that marriage should be between a man and woman, and beliefs that children should grow up with biologically connected parents.

"Children do best with a mother and a father. Mommies do not make good daddies, and daddies do not make good mommies," said the Rev. David Glesne, senior pastor at Redeemer Lutheran Church in Fridley. "The two sexes are different to the core, and each is necessary culturally and biologically for the optimal development of a human being. There is now social research that indicates strongly that children with a married mother and father consistently do better in every measure of well-being than their peers in any other type of family arrangement."

Winkler said other studies show that children can be well raised by same-sex parents.

No matter the pro and con arguments, Jacob Reitan reminded members that each day without equal marriage rights comes with a "heavy price" for gays and lesbians.

"It is the price of pain felt by gay and lesbian people at hearing the forces of intolerance time and again demean their lives and love. ... Finally, it is the quiet yet ever-present price of inferiority gay people feel with the knowledge that in the eyes of government, they are second-class citizens," he said. 🗽

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Employment and	
Economic Development .....	651-259-7114
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Enterprise Technology.....	651-296-8888
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	800-657-3535
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Housing Finance Agency .....	651-296-7608
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Number of snake species in the state.....	17
Number that are venomous.....	2
Number of rabid animals reported in 2008 in the state.....	70
In 1975.....	161
In 1981.....	468

— L. SCHUTZ

Sources: Department of Natural Resources, Minnesota Zoo, Minnesota Board of Animal Health, North American Bear Center.

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# SESSION WEEKLY



A NONPARTISAN PUBLICATION  
MINNESOTA HOUSE OF REPRESENTATIVES • PUBLIC INFORMATION SERVICES  
VOLUME 27, NUMBER 5 • MARCH 5, 2010

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## SESSION WEEKLY

Session Weekly is a nonpartisan publication of Minnesota House of Representatives Public Information Services. During the 2009-2010 Legislative Session, each issue reports House action between Thursdays of each week, lists bill introductions and provides other information. No fee.

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

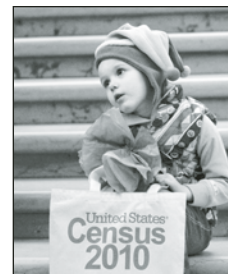
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**On the cover:** Supporters of GAMC held a battery-operated candlelight vigil in the Capitol Rotunda March 1 as the House prepared to attempt an override of Gov. Tim Pawlenty's veto that would stop funding for the program.

— Photo by: Tom Olmscheid



## A cloudy forecast

State's new economic projection shows more trouble on the horizon

PHOTO BY TOM OLMSCHIED

At the March 2 release of the February 2010 Economic Forecast, Minnesota Management & Budget Commissioner Tom Hanson announces the state received \$209 million in additional revenue to lower the current biennial budget shortfall to \$994 million.

By Nick Busse

**D**epending on whom you ask, the state's February economic forecast is either good news, bad news or no news.

**One thing is certain: the nearly \$1 billion deficit it predicts merely scratches the surface of the state's fiscal problems.**

Released March 2 by Minnesota Management & Budget, the February 2010 Economic Forecast predicts a \$994 million deficit for the current biennium. As large as it is, it represents a \$209 million improvement over the state's last economic forecast in November.

MMB Commissioner Tom Hanson called it "good news," and said the forecast proves the so-called Great Recession is at an end.

"I think this is continued evidence that our economy has bottomed out, and we are in the long, slow road to recovery," Hanson said.

But the forecast also projects a \$5.8 billion deficit in the next biennium, which is

\$363 million worse than November's prediction. Moreover, Hanson said the smaller short-term deficit is due mostly to spending reductions and help from the federal government — not to an improving economy.

State Economist Tom Stinson said the February forecast shows no real change from November. He said the real measure of economic recovery will be how quickly the state's employment numbers grow.

"Even under the optimistic scenario, it's going to take until mid-2012 for employment to reach its prior (pre-recession) levels," Stinson said.

DFL leaders are also skeptical that the forecast shows real improvement. They're especially concerned about the 2012-13 biennial deficit.

"This forecast once again shows us that we have a very long-term problem in this state," said House Speaker Margaret Anderson Kelliher (DFL-Mpls).

Depending on how it's calculated, the \$5.8 billion budget gap lawmakers face could actually be more like \$8.5 billion — a figure that includes inflation, as well as the cost of restoring programs eliminated last year by Gov. Tim Pawlenty.

In all, between 15 percent and 20 percent of the state budget may be in jeopardy when the Legislature convenes next year. Kelliher blames much of that shortfall on Pawlenty, arguing that his budget policies, which have included the use of accounting shifts and other one-time solutions, have pushed the state's financial problems off into the future.

"It's a continued story of his governorship," Kelliher said. "His legacy is a legacy of 'kick the

**First Reading continued on page 4**

can down the road and ignore the underlying problems the state faces.”

The governor’s supplemental budget plan would solve the current \$994 million biennial deficit through budget cuts and by using federal aid. It would leave at least a \$2.8 billion budget hole in the 2012-13 biennium. DFLers argue that a more “balanced approach” — that is, one that includes some tax increases — is more realistic, and would help reduce future deficits.

Meanwhile, responding to Kelliher’s comments during a press conference, Pawlenty defended his record on the budget. He said his budget plan would make the 2012-13 deficit “manageable,” and argued that he has had to govern during “challenging times.” Moreover, he said the real problem is out-of-control state spending.

“Most of the deficit in the upcoming biennium isn’t anything other than double-digit spending increases at a time when the revenues aren’t going to grow that fast,” Pawlenty said.

That sentiment was echoed by Republican



PHOTO BY TOM OLMSCHIED

**At a March 2 news conference, Gov. Tim Pawlenty said that additional revenues should be used to bolster the state’s cash flow account in order to help avoid short-term borrowing as the Legislature works to balance the \$994 million biennial budget deficit.**



PHOTO BY TOM OLMSCHIED

**House Majority Leader Tony Sertich, center, holds a letter from Gov. Tim Pawlenty during a March 2 news conference. Sertich wants real budget-balancing negotiations to begin between the Legislature and governor’s office, not just letters. Senate Majority Leader Larry Pogemiller, left, and House Speaker Margaret Anderson Kelliher also spoke at the news conference.**

leaders, who argued a revenue shortfall is not the issue. House Minority Leader Kurt Zellers (R-Maple Grove) said many state programs are on “autopilot,” set to increase automatically at unsustainable rates.

“We have a spending problem, not a revenue problem,” Zellers said, adding that government “should do like a lot of families across the state of Minnesota” and learn to live within its means.

Lawmakers and the governor have until May 17 to reach agreement on a budget solution. Senate Majority Leader Larry Pogemiller (DFL-Mpls) said legislative leaders plan to push their own budget proposals in a series of installments. He said the first would likely contain cuts to state agencies that will match cuts proposed by Pawlenty. The second bill would focus on health and human services funding, while the third would cover local government aid and K-12 education funding.

“We are doing this in pieces, but they are complete pieces for those budget areas,” Pogemiller said, adding that some of the pieces may include options to raise new revenues.

For his part, Pawlenty said he would accept DFLers’ plan to pass the budget in sections; however, he argued that doing so was merely a way for the DFL to push off “the hard stuff” until the end of session.

“We’ll take budget cuts any way they want to deliver them up,” Pawlenty said. “I just hope that they actually get to the third installment, or even the second installment.”

### The ‘fiscal trap’

The debate over whether to increase revenues or curb spending will become more pronounced in the coming decades, as the mass retirement of Baby Boomers creates profound demographic and economic changes in Minnesota.

According to State Economist Tom Stinson, the state’s aging population will create more demand for government spending, particularly in the area of health and human services. At the same time, it will shift more of the tax burden to younger generations, which will slow the revenue growth needed to pay for spending increases.

Stinson says the situation puts Minnesota at risk of a kind of economic downward spiral. He calls it the “fiscal trap.”

Here’s the dilemma: in order to raise the tax revenues the state will need to pay for health and human services programs, the state needs to make strategic investments in areas like education and public infrastructure — things that will help increase productivity. However, the new burden of health and human services spending will consume much of the money needed to make those investments, creating a kind of “Catch-22.”

According to Stinson, the only solution will be to fundamentally change the way the state does business. In that case, the current debates over taxes and spending may soon look comparatively tame.

— N. BUSSE



**Editor's note:** The following Highlights are coverage of select bills heard in House committees and other House activities held Feb. 25-March 4. 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.

## AGRICULTURE

### Ensuring livestock will be fed

A farmer beginning the process of foreclosure mediation would still be supplied food for their livestock, under a bill held over March 3 by the House Agriculture, Rural Economies and Veterans Affairs Finance Division for possible omnibus bill inclusion.

Sponsored by Committee Chairman Rep. Al Juhnke (DFL-Willmar), HF2889 would require banks to extend credit to feed mills at the beginning of the mediation process.

"We've come to some situations where banks have been reluctant once someone files for mediation," and farmers worry about continuing to feed their livestock for a 30- to 40-day period before mediation actually begins, Juhnke said.

Representing the Minnesota Pork Producers, Jerry Schoenfeld said there has been at least four instances in the last year where banks have refused to continue to provide feed. Only after the head of a pork organization threatened to send media to the bank for an explanation were the animals given feed, he said.

"There is no incentive to keep feeding the livestock unless there is some form of security that allows the feed mill to get paid for providing feed to keep these animals alive," said Laura Lemke, member services representative for the Minnesota Grain and Feed Association. Many feed mills are now forced to write off unpaid transactions, she said.

The bill allows a feeder to take a superior position above the lender in getting paid.

A companion, SF2465, sponsored by Sen. Jim Vickerman (DFL-Tracy), awaits action by the Senate Judiciary Committee.

— P. OSTBERG

## BONDING

### Working group presents offer

A second capital investment bill could be on the House and Senate floors within a week; and maybe this one will make it to the governor's desk.

## CHILD ADVOCATE

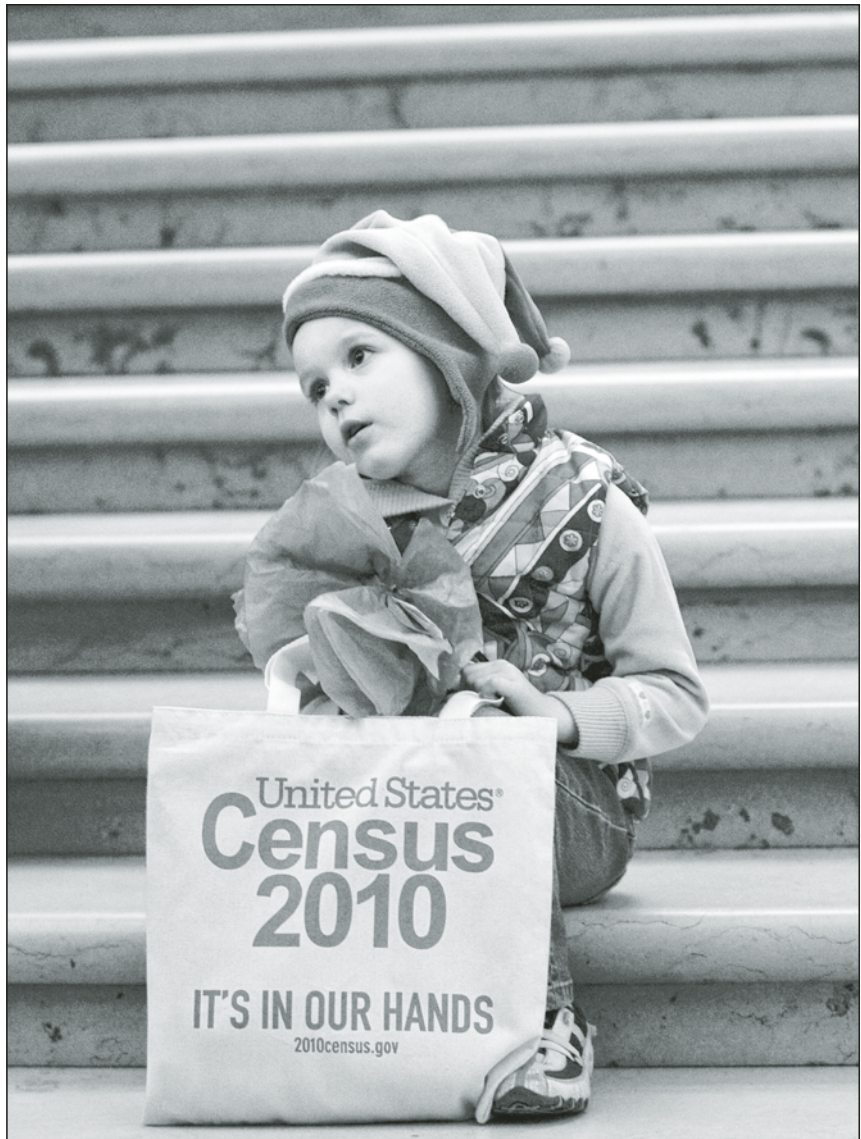


PHOTO BY ANDREW VONBANK

**Four-year-old Emmalee Altepeter sits on the grand staircase in the Capitol Rotunda during the March 1 Voices for Children Advocacy Day.**

A capital investment working group approved an offer March 4 that brings the bill total down slightly from before and contains the six core projects identified by the governor. However, the overall cost of the bill does not meet his desired amount.

The working group report calls for nearly \$986.43 million in general obligation bonding, a decrease of about \$13.5 million from the amount in HF2700\*/SF2360.

Among contents of the offer, which must first be approved by a reconstituted conference committee, includes is \$9.45 million for renovations at the Minneapolis Veterans Home and language to lift a cap on the

purchase price of land for the proposed Lake Vermilion State Park.

Additionally there is \$36 million to expand the sex offender treatment facility at Moose Lake. Gov. Tim Pawlenty requested \$89.07 million, and conferees were told \$61 million would provide the needed infrastructure. The original conference committee report had no money for the expansion.

Included in the cuts proffered by the working group are \$44 million from the Minnesota State Colleges and Universities system for projects that aren't shovel ready, and a combined \$10 million from civic

center projects in Mankato, Rochester and St. Cloud.

"None of this gives us much pleasure," said Rep. Alice Hausman (DFL-St. Paul). She sponsors the bill with Sen. Keith Langseth (DFL-Glyndon).

Approved by the House and Senate Feb. 22, the governor said he would have vetoed the first bill because of its size and priorities. Instead, legislative leaders kept the bill in the Senate, rather than sending it to the governor's desk.

Pawlenty repeatedly warned legislators he would not sign a bill larger than \$725 million, and it had to contain some of his core projects.

Supporters continue to say now is the time for a larger bill because construction bids are coming in low, interest rates are favorable and it would create more than 20,000 new jobs.

Will Pawlenty sign it?

"It's hard to know what to expect from the governor," Langseth said.

— M. COOK

## BUDGET

### Looking for fund transparency

Some fees collected for specific purposes land in the state's General Fund before being appropriated for their dedicated uses.

Sponsored by Rep. Loren Solberg (DFL-Grand Rapids), HF2037 would change the deposit of some fees that now go to the General Fund to an account in the special revenue fund or another specified fund before the money is disbursed from Minnesota Management & Budget to its intended target.

This is a better accounting practice and would provide greater transparency, Solberg told the House Finance Committee March 1. "Right now, these appropriations are hidden in the General Fund."

Some examples are:

- gifts and grants to the Board of Water and Soil Resources;
- federal reimbursements for Camp Ripley maintenance;
- fees received by the Department of Natural Resources for underground storage; and
- net proceeds of the sale of surplus property by state agencies.

Being able to adequately track the funds has merit, said Rep. Mary Kiffmeyer (R-Big Lake). She wanted to know the Legislature's ability to tap into the special funds to help balance the budget.

"The Legislature, the governor can always propose to take money out of the special revenue funds and put it into the General Fund," Solberg said, citing the governor's

supplemental budget plan that includes transferring \$20 million from special revenue funds to the General Fund.

The bill was approved as amended and sent to the House Ways and Means Committee, which Solberg chairs. A companion, SF1556, sponsored by Sen. Richard Cohen (DFL-St. Paul), awaits action by the Senate Finance Committee.

— L. SCHUTZ

## CONSUMERS

### Preventing 'live check' scams

If you receive a check in the mail from a company you don't recognize or for reasons you don't understand, cashing it may get you more than you bargained for.

"Live checks" are checks that obligate consumers to purchase goods and services they don't necessarily want and may not even be aware of. They're often mailed to people who purchased something with their credit card and then — unbeknownst to them — had their credit card information sold to a third party. The third party then tries to fool the consumer into purchasing other goods or services, and uses their credit card information to bill them automatically.

Rep. Andrew Falk (DFL-Murdock) argues live check solicitations amount to fraud, and he sponsors a bill that would protect consumers from them.

"By cashing that live check, you're actually buying some service which you had no intention of purchasing in the first place," Falk said.

HF2599 would make live check solicitation a "deceptive practice" under the state's consumer protection statutes, giving the Office of the Attorney General authority to enforce penalties against offenders. The House Commerce and Labor Committee approved the bill March 2. It now awaits action by the full House.

Live checks typically contain fine print informing consumers that they're obligated to purchase something, but consumers often don't see it. Moreover, the checks are often disguised as a form of rebate connected with the original product the consumer purchased.

Within about a month after cashing a live check, a consumer will typically see charges appear on their credit card bill for purchases they didn't know they were making, said Assistant Attorney General Kermit Fruechte.

He added that three states — Alaska, Nebraska and Utah — have passed similar legislation.

Sen. Kathy Saltzman (DFL-Woodbury)

### Committee deadlines approved

The House Rules and Legislative Administration Committee approved a concurrent resolution (HC3) setting committee deadlines for the 2010 session.

It now awaits action by the full House.

The deadlines would be:

- March 12 at 11:59 p.m., committees act favorably on bills in the house of origin;
- March 19 at 11:59 p.m., committees act favorably on bills, or companion of bills, that met the first deadline in the other body; and
- March 29 at 5 p.m., divisions of House and Senate finance committees act favorably on omnibus appropriation bills.

The first and second deadlines do not apply to the House Finance, Ways and Means, Taxes or Rules and Legislative Administration committees, or the Senate Capital Investment, Finance, Taxes, or Rules and Administration committees.

— L. SCHUTZ

sponsors the companion, SF2439, which awaits action by the full Senate.

— N. BUSSE

## CRIME

### Clarifying pay to stay law

Current law permits a sheriff to charge an inmate to stay in a local jail; however, a Supreme Court decision last December ruled that the pay to stay provision does not extend to days spent in jail pre-conviction because statute used the term "offender," rather than "person."

"Persons were getting something like a 90-day sentence and they'd already sat in county jail 60 days before that, and they were getting credit for time served," said Rep. Dave Olin (DFL-Thief River Falls). "That 60 days was never subject to the pay to stay."

Sponsored by Olin, HF3038 would clarify the intent of the law that was passed in 2002.

"This just takes care of a glitch to make it consistent so all the time they do in a county jail on any sentence is subject to the pay to stay if it's a situation they can make the payments," he said.

Rick Hodsdon, legal counsel for the Minnesota Sheriffs' Association, said some counties don't require inmates to pay for staying; rather they want the offender's money to go toward other things like child support or restitution.

"This is property tax relief that doesn't cost a dime of state money," he said, adding the bill would have about a \$1 million annual impact on local governments.

Approved Feb. 25 by the House Public Safety Policy and Oversight Committee, it awaits action by the full House. A companion,



SF2709, sponsored by Rep. Pat Pariseau (R-Farmington), was scheduled to be heard March 4 by the Senate Judiciary Committee.

— M. COOK

## EDUCATION

### Nonpublics, charters could pay to ride

School districts must bus students to charter and nonpublic schools. However, the state funding formula does not cover the total cost, so districts have to cut elsewhere to pay for it.

Sponsored by Rep. Jim Davnie (DFL-Mpls), HF2910 would allow school districts to bill charter or nonpublic schools for the unreimbursed portion of the actual cost.

Keith Paulson, transportation director for Anoka-Hennepin schools, said his district covers 172 square miles and has 13 nonpublic schools. He estimates the unreimbursed cost to the district is \$221 per pupil more than what it receives in state aid for the purpose, which amounts to \$630,000 taken from its general revenue.

Charlie Kyte, executive director of the Minnesota Association of School Administrators, said examples of what other districts are paying in excess annual transportation costs include Rochester, paying \$540,000, or \$277 per pupil; Fairmont, \$131,000 or \$318 per pupil; Centennial, \$73,000 or \$225 more per pupil; and Fergus Falls, \$52,000 or \$220 per pupil.

Rep. John Ward (DFL-Brainerd) said the issue presents a \$13 million problem for districts, but could cost the state \$20 million if even a small fraction of non-district students were to enroll in district schools if their parents had to pay for transportation.

The bill was laid over by the House K-12 Education Finance Division Feb. 26 for possible inclusion in its omnibus bill. A companion, SF2770, sponsored by Sen. Dan Skogen (DFL-Hewitt), awaits action by the Senate E-12 Education Budget and Policy Division.

— K. BERGGREN

### Charters could gain PSF funding

A proposal to require that charter schools receive investment income from the state's Permanent School Fund, as do school districts, raises a constitutional question.

The state constitution designates that fund proceeds are for the use of schools, but specifies they are to be distributed to the different school districts.

"For all practical purposes right now a charter school is treated as a school district," said Rep. Mark Buesgens (R-Jordan). He

## CANADA DAY



PHOTO BY ANDREW VONBANK

**Senate President James Metzen and House Speaker Margaret Anderson Kelliher listen to an address by Canadian Consul General Martin Loken during a March 1 joint meeting of the House and Senate.**

sponsors HF3003, which would include charter schools in the statutory definition of "school district," and change PSF revenue distribution to be based on pupils served, instead of resident pupils.

Established by a grant of federal land to the state in the 19th century, fund revenue comes from land management activities, such as timber harvesting, mineral activities and lease revenue. Starting in fiscal year 2010, school districts are to receive a share of fund interest earnings directly. Previously, that revenue has been offset against districts' general education aid.

Under the bill, some school districts would lose a portion of their PSF funding. Buesgens told the House K-12 Education Finance Division Feb. 25.

Grace Keliher, director of government relations for the Minnesota School Boards Association, said a 2008 legal opinion found "the Legislature does not have the constitutional authority to appropriate [PSF] revenue to entities other than school districts."

Rep. Denise Dittrich (DFL-Champlin) said the law clearly states that funding is to school districts, and that understanding has been the standard in discussions about the fund.

Buesgens cited a 1959 statute, "written far after the constitution," defining school districts as "common, independent or special" as evidence the Legislature does "understand that we have the power to define a school district."

The division held the bill over for possible inclusion in an omnibus bill. Sen. David Hann (R-Eden Prairie) sponsors a companion,

SF2649, which awaits action by the Senate E-12 Education Budget and Policy Division.

— K. BERGGREN

### Phy. Ed. bill moves ahead

Rep. Kim Norton (DFL-Rochester) has moved closer to her longtime goal of getting school children to be more physically active.

The House K-12 Education Policy and Oversight Committee approved HF3115 March 2. The bill Norton sponsors would require the state to adopt academic standards for physical education by July 1, 2010. Minnesota is one of three states without statewide physical education standards.

The committee sent the bill to the House Finance Committee, with a recommended re-referral to the House K-12 Education Finance Division.

Norton said the bill is based on evidence that physical education supports academic achievement. It has no fiscal impact on school districts and does not make physical education a graduation requirement. It also encourages the Education Department to develop guidelines for school districts that promote quality recess activities.

Although 87 percent of Minnesota's school districts have a physical education requirement, Norton said, the lack of statewide standards means lost opportunities for schools to receive federal funding for physical education equipment and programs.

Rep. Bob Dettmer (R-Forest Lake) said that since state physical education standards were eliminated in 2003, the state received no federal funds in 2006 or 2009, but that



in 2008, North Dakota received \$1 million; South Dakota, \$500,000; and Wisconsin, \$3.6 million.

Sen. Terri Bonoff (DFL-Minnetonka) sponsors a companion, SF2753, which was scheduled to be heard March 3 by the Senate Education Committee.

— K. BERGGREN

## ELECTIONS

### Absentee ballot board creation

Cities, municipalities and school districts would be required to establish a board to examine absentee ballots, under a bill approved March 2 by the House State and Local Government Operations Reform, Technology and Elections Committee.

Rep. Ryan Winkler (DFL-Golden Valley), who sponsors HF3111, said it would “ensure that absentee ballots and applications are treated equally across the state.”

A board would be required to accept or reject absentee ballots based on several factors including: the voter’s name and address on the return envelope match information provided on the application; the voter signed the certification on the envelope; the voter’s driver’s license, state identification number or the last four digits of their Social Security number match that provided on the application; and the voter has not already voted in that election.

The Office of the Secretary of State would report to the Legislature every two years statistics related to the state’s absentee ballots, such as the number of ballots sent and received by voters, and the number rejected and reasons why.

In the 2008 election 12,000 absentee ballots were rejected and two of those improperly, Winkler said. The U.S. Senate recount highlighted the state’s need to create a process that accepts and rejects absentee ballots, Winkler added.

Rep. Mary Kiffmeyer (R-Big Lake) said the bill gives accuracy and transparency in the processing of ballots.

The bill now goes to the House floor. A companion, SF2622, sponsored by Sen. Katie Sieben (DFL-Newport), awaits action by the full Senate.

— P. OSTBERG

### State primary moves to August

Minnesota’s traditional September primary is no more.

A new law, signed March 3 by Gov. Tim Pawlenty, moves the primary to the second Tuesday

**Signed  
by  
the  
governor**



PHOTO BY TOM OLMSCHIED

**Jamie Wittnerber, a sergeant in the 34th Combat Aviation Brigade, and other members of the Minnesota National Guard thanked the governor, secretary of state and legislators for a new law that moves Minnesota’s primary election to the second Tuesday in August. The law aims to help ensure that military and overseas voters will have adequate time to receive and return absentee ballots for the general election in November.**

in August to meet a federal mandate.

Passed in October 2009, the federal Military and Overseas Voter Empowerment Act requires at least a 45-day period for absentee ballots to be returned and counted for primaries and elections. Previous law was 30 days.

Ten states and the District of Columbia will also have to change primary dates to meet the new law.

Sponsored by Rep. Steve Simon (DFL- St. Louis Park) and Sen. Terri Bonoff (DFL-Minnetonka), the law is effective March 4, 2010.

HF2552/SF2251\*/CH184

— P. OSTBERG

## ENVIRONMENT

### Incinerator mercury tests

Olmsted County expects to double the amount of solid waste it converts to energy through its incinerator expansion, and it hopes to save a little money in the process through relaxed state mercury testing requirements.

Awaiting approval by the full House is HF3027, which would reduce the frequency that the county would have to conduct mercury testing at its new incinerator, provided previous testing results at its facility fell well below state and federal emission levels. The relaxed mandate is expected to save the county \$40,000 annually by reducing independent testing staff it hires to perform mercury sampling, according to John Helmers, the county’s solid waste manager. Helmers said the county removes 98 percent

of mercury and emits less than 4 percent of what’s allowed under their permit.

Sponsored by Rep. Kent Eken (DFL-Twin Valley), the bill was approved by the House Environment Policy and Oversight Committee Feb. 25.

A companion, SF2604 sponsored by Sen. Dan Skogen (DFL-Hewitt), awaits action by the Senate Environment and Natural Resources Committee.

— S. HEGARTY

### Syringe stewardship program

Used syringes are one step closer to being kept out of the waste stream, where they have the potential to poke and infect hospitality and waste management workers.

The House Environment Policy and Oversight Committee approved HF1372/SF1323\* Feb. 25 and referred it to the House Health Care and Human Services Policy and Oversight Committee.

Rep. Paul Gardner (DFL-Shoreview), who sponsors the bill with Sen. Kathy Sheran (DFL-Mankato), said the state does a good job of protecting its public employees by placing containers for syringe disposal in public buildings, but that lawmakers can do a better job of protecting hospitality and waste management workers.

An estimated 30 million syringes are sold annually in Minnesota. The bill would require manufacturers to share in the efforts and educational costs of collection by offering containers where syringes are sold. The bill stops short of requiring what people should

do with the containers once they are filled.

The bill was passed 65-1 by the Senate last session.

— S. HEGARTY

### Outdoor funds for easements

There is bipartisan support for using outdoor heritage funds to pay private landowners for public access easements. The funds are derived from a dedicated tax that is distributed based on Lessard-Sams Outdoor Heritage Council recommendations.

HF1146, sponsored by Rep. Tom Hackbarth (R-Cedar), would allow the Board of Water and Soil Resources to purchase easements so that the public could walk onto private land to hunt, trap, fish and engage in other outdoor recreation. The bill was laid over by the House Game, Fish and Forestry Division March 1 for possible inclusion in a division omnibus bill.

Easements would be paid from a \$10 million appropriation in fiscal year 2011 from the outdoor heritage fund. A walk-in access program, similar to neighboring states, would enable the state to leverage federal dollars, Hackbarth said.

Rep. David Dill (DFL-Crane Lake), division chairman, said private cornfields and wheat fields in some areas could enhance wildlife hunting opportunities, but he added, "I'm not saying we use Lessard money to pay for that."

However, Rep. Denny McNamara (R-Hastings) said the bill meets the council's goal to "restore, protect, and enhance Minnesota's wetlands, prairies, forests, and habitat for fish, game, and wildlife." He added, "A lot of us can't necessarily afford our own little hunting spot."

Rep. Rick Hansen (DFL-South St. Paul), an appointed member of the council, was surprised there was no opposition to the bill. "I was waiting patiently for the conservation groups or the agencies to provide comment on this. I'm waiting for the righteous indignation for raiding the funds. This is the first bill getting a hearing that takes the outdoor heritage funds, and not a peep," Hansen said.

A companion, SF2033, sponsored by Sen. Pat Pariseau (R-Farmington), awaits action by the Senate Environment and Natural Resources Committee.

— S. HEGARTY

## FAMILY

### Including pets in protection orders

A civil order for protection can keep an offender away from a victim's home and workplace. Fido and Fluffy could also get included in the order.

Rep. Michael Paymar (DFL-St. Paul) sponsors HF1396 that would permit a court to include provisions for the care, possession or control of a pet or companion animal in a protective order.

Approved March 3 by the House Civil Justice Committee on a 6-5 vote, the bill was sent to the House Public Safety Policy and Oversight Committee.

Six DFLers voted yes, and Rep. Dave Olin (DFL-Thief River Falls) joined four Republicans in voting no. Olin said, in 32 years as a prosecutor, he's never dealt with this issue and doesn't know if this is "an earth-shaking matter" that justifies being in statute.

"You've heard these cases, not just in the metropolitan area, but all through the state where a batterer has thrown a dog or a puppy against a wall, or thrown an animal off a porch," Paymar said. "It's not just out of anger that they're doing this; they're trying to reach deep into that battered woman's psyche and saying, 'If you don't stay, if you don't stop what you're doing this is what's going to happen to you, or this is what's going to happen to the kids or the pets.'"

Sarah Gorman, a deputy with the Scott County Sheriff's Office, said a battered family's safety should not rely on a pet's status. "Several studies have shown that as many as 71 percent of women who have fled violent relationships report actual or threatened violence to their pets; 54 percent report actual violence or death of the animal; and 60 percent report a worry for their pet as affecting their decision to leave a relationship."

Rep. Torrey Westrom (R-Elbow Lake) wondered what would stop a filer from adding a pet to the protection order purely out of nastiness.

"I'm not saying that can never happen," Paymar said. "There are 13 or 14 other reliefs. Checking a box for a lot of those reliefs could add spite. ... Does that happen? I think so, but in very few cases."

A companion, SF838, sponsored by Sen. Sandy Pappas (DFL-St. Paul), awaits action by the full Senate.

— M. COOK

### Informing parents of maltreatment

Lora and Shawn Herman's lives changed in May of 2006 — but they wouldn't realize it for months. Their son Kyle, a 6 year old with Down syndrome, had started kindergarten the previous fall.

Kyle, who was uncommunicative, had behavior problems at home and at school that were not resolved despite the family's efforts to seek medical and therapeutic help.

Not until April 2007 did the Hermans learn Kyle's teacher had been put on leave

for suspected maltreatment of their son. The school confirmed in December 2007 that abuse had occurred but because the case was in arbitration could not release details.

In May 2008, the Hermans got a redacted copy of the arbitration report from the Education Department. It indicated Kyle's teacher had struck and yelled at him, threatened to tie him up, held a beanbag chair against him while he was face down on a mat, taunted him in front of others, pulled his hair and dragged him across the room by his wrists.

"In total, [he experienced] seven months of abuse and it took 18 months for us to learn what happened," said Lora Herman. "One of the things Kyle did learn in kindergarten was what his teacher taught him, to hit."

Sponsored by Rep. Tim Mahoney (DFL-St. Paul), HF3157, The Kyle Herman Bill, would require the education commissioner to report a maltreatment investigation or assessment of an allegation to a parent or legal guardian of a student within 10 days.

Approved March 3 by the House K-12 Education Policy and Oversight Committee, it next goes to the House Health Care and Human Services Policy and Oversight Committee. It has no Senate companion.

Although teachers are mandated to report suspected child abuse, a National Child Protection Training Center survey indicates that only 11 percent surveyed said they were willing to report colleagues they suspect of abuse, said Connie Skillingstad, executive director of Prevent Child Abuse Minnesota. A paraprofessional reported Kyle's abuse to school administration.

— K. BERGGREN

## GAME & FISH

### Guides seek licensing revisions

Fishing guides are asking legislators to support a resolution for more targeted licensing requirements by the U.S. Coast Guard.

Proponents told the House Game, Fish and Forestry Division March 1 that current federal licensing for operating six-passenger boats on inland lakes is the same, as costly and lengthy of training as for larger sea-worthy vessels.

The division approved HF3162, a resolution to Congress, sponsored by Rep. David Dill (DFL-Crane Lake), and referred it to the House Environment Policy and Oversight Committee.

The Coast Guard requires captains of uninspected boats with up to six paying passengers to have operated their boat for 360 days. At least 90 of those days must have been within the past three years and on border waters.



Tom Neustrom, a Grand Rapids professional fishing guide, said Coast Guard licensing requirements are too rigorous for some of the state's 500 guides, many of whom may only lead 20 or 30 inland boat trips a year. Because the courses may not be available locally, training and testing expenses can exceed \$2,500. For a small resort owner or an independent fishing guide who carries liability insurance, the expense of obtaining the necessary licensing can cause financial hardship, Neustrom said.

John Edman, director of Explore Minnesota Tourism, said guides provide a great service to the state's \$11.2 billion leisure and hospitality industry, which supports the resolution. Ideally, guides would like new Coast Guard regulations in place before the governor's fishing opener weekend, scheduled to begin May 14 on Lake Kabetogama in Voyageurs National Park.

U. S. Rep. James Oberstar is scheduled to meet with a Minnesota delegation March 10 to discuss the issue.

Sen. Mary Olson (DFL-Bemidji) sponsors the companion, SF2780, which awaits action by the Senate Rules and Administration Committee.

— S. HEGARTY

## GOVERNMENT

### Faster complaint process

When a citizen files a data practices complaint against a state agency, it often takes months or years to resolve.

A bill to speed up the process was approved March 2 by the House State and Local Government Operations Reform, Technology and Elections Committee.

Sponsored by Rep. Gene Pelowski Jr. (DFL-Winona), HF2899 would establish a new process through the Office of Administrative Hearings when filing a complaint under the Data Practices Act.

Under the bill, a person would file a complaint with the office, along with a \$1,000 filing fee. A hearing, if needed, would have to occur within 30 business days of the involved parties being notified. A complainant that "substantially prevails" would be awarded attorney fees up to \$5,000 and refunded the \$1,000 filing fee minus \$50.

Current law requires a district court to deal with complaints, which proponents of the bill argue is more time consuming and costly.

Sandra Neren, a lobbyist for the Minnesota Newspaper Association, said the association was approached by legislators for ideas on a better enforcement mechanism for data practices violations. The bill offers a similar approach to how campaign finance complaints

are handled by OAH with a "very fast, speedy and cheaper resolution," she said.

Rep. Mark Buesgens (R-Jordan) unsuccessfully offered an amendment to give a prevailing complainant 100 percent of the filing fee.

Pelowski said there is still a cost to the courts for processing a complaint.

Don Gemberling, a board member for the Minnesota Coalition on Government Information, said under the terms of the bill, an argument could be made that an average citizen is harassing the government. "Some of us think that's part of what the United States is about as long as you don't get violent," he said.

The bill exempts educational information maintained by institutions and school districts. Neren said a broader bill would be ideal, but this session is too short to include all parties needed to be involved if subjects like educational information are included. If the bill is being misused, that can be addressed next session, she added.

The bill now goes to the House Civil Justice Committee. A companion bill, SF2354, sponsored by Sen. Don Betzold (DFL-Fridley), awaits action by the Senate Judiciary Committee.

— P. OSTBERG

## HEALTH

### No GAMC veto override

House Democrats unsuccessfully attempted to override the governor's veto of controversial health care legislation before tabling the subject March 1.

A motion to override Gov. Tim Pawlenty's veto of HF2680/SF2168\* failed 87-46 following more than two hours of floor debate. The legislation would create a 16-month version of General Assistance Medical Care, the state health care program serving 30,000 to 35,000 low-income Minnesotans monthly. Pawlenty vetoed the legislation Feb. 18 in favor of transitioning GAMC enrollees into MinnesotaCare, a process scheduled to begin in early March. GAMC coverage would end March 31.

Rep. Erin Murphy (DFL-St. Paul), who sponsors the legislation with Sen. Linda Berglin (DFL-Mpls), said weekend discussions involving House leadership and the governor's staff resulted in a "good conceptual conversation," but little give from Pawlenty officials. She made a motion to override the governor's veto, saying the House needed to take immediate action to keep Pawlenty's auto-enrollment proposal from becoming the final policy.

Murphy said the GAMC legislation would cover more people at a lower cost than the governor's proposal. She estimates that only 3,300 of the current GAMC enrollees will be able to pay the MinnesotaCare premiums and manage the paperwork past their first renewal period.

Republicans accused Democrats of jeopardizing further negotiations with the governor by attempting the override.

"Instead of taking the time to do this right, we've decided that today is an emergency, which it's not," said Rep. Steve Gottwalt (R-St. Cloud). "...We have time to do this right."

Some of the 38 Republicans who voted for the legislation Feb. 18 said they believed a conference committee would address some of the provisions they didn't like before the bill arrived on the governor's desk. That didn't happen.

Following the vote, Murphy said legislators were not considering legal action as a way of continuing GAMC or halting the auto-enrollment process, though outside organizations may. Pawlenty met with House Republicans to thank them for their support and invited key legislators from both parties to a meeting March 2. A Pawlenty spokesperson said the governor's staff was working with Rep. Matt Dean (R-Dellwood) and the Department of Human Services to come up with a compromise.

— L. RADOMSKI

### Birth center licensure approved

Minnesota could be among the growing number of states requiring licensure for birth centers, the non-hospital facilities performing low-risk deliveries.

"Birth centers are here in Minnesota — it's not a debate," Amy Johnson Grass, a certified professional midwife, told the House Health Care and Human Services Policy and Oversight Committee March 2. "Right now we're looking for licensure to ensure that safety and that standard."

The committee approved HF3046, which would require Minnesota birth centers to be accredited by the national Commission for the Accreditation of Birth Centers and obtain a license from the Department of Health. Sponsored by Rep. Maria Ruud (DFL-Minnetonka), the bill was referred to the House Health Care and Human Services Finance Division. A companion, SF2702, sponsored by Sen. Linda Berglin (DFL-Mpls), awaits action by the Senate Finance Committee.

Three Minnesota birth centers are in the process of accreditation, Ruud said.

The bill defines a low-risk pregnancy as a normal, uncomplicated prenatal course that's



expected to result in a normal, uncomplicated labor and birth. The legislation would limit a birth center's surgical procedures and use of anesthesia, and prohibit centers from performing abortions. Another provision would result in Medical Assistance reimbursement for birth centers' facility and professional fees.

Dr. Andrea Flom, president of the American Congress of Obstetricians and Gynecologists, said her organization supports the bill, but would like to ensure birth centers have appropriate emergency plans in case a mother or infant requires immediate hospital care.

— L. RADOMSKI

### Drug notification approved

In the more than 30 years since Laurie Olmon's epilepsy diagnosis, her seizures have interrupted her life. They've happened in a women's bathroom at the Metrodome, over spaghetti with a date and at home with her young son.

"This I do not have control over," Olmon told the House Health Care and Human Services Policy and Oversight Committee Feb. 25. "What I should have control over is what I'm putting in my body."

The committee approved HF1320, which would require pharmacists to notify patients and their doctors when a prescription for an anti-epilepsy drug has been switched from a brand name to a generic or from one manufacturer to another. The bill, which was sent to the House Finance Committee and referred to the House Health Care and Human Services Finance Division, is sponsored by Rep. Marsha Swails (DFL-Woodbury), a high school English teacher whose student had a seizure in her class in December. A companion, SF1137, sponsored by Sen. Linda Higgins (DFL-Mpls), awaits action by the Senate Health and Human Services Budget Division.

Bill supporters said slight differences in concentrations of anti-epilepsy drugs can cause seizures and other toxic effects in epileptics. A person who has been seizure-free for years under a certain drug may never regain seizure control if switched to a different prescription.

Opponents referenced existing U.S. Food and Drug Administration rules that require generics to achieve the same drug absorption levels as corresponding brand names. Vern Rowen, vice president of state government affairs for Express Scripts, a national pharmacy benefit manager, said that while individual anecdotes may suggest otherwise, "...there does not seem to be scientific evidence yet that suggests there is a relationship between switching from brand to generic or generic to generic and the causation of seizures in epileptics."

Dr. Ilo Leppik, an epileptologist with MINCEP Epilepsy Care, said he supports the science but not the belief that hard and fast rules apply to everyone.

"The science may say this will work, but there are probably 5 or 10 or 15 percent of people for whom the science doesn't apply," he said.

— L. RADOMSKI

### Same-sex couple rights approved

Partners in same-sex relationships could have a say in each other's health care under a bill receiving committee approval.

Rep. Paul Thissen (DFL-Mpls) sponsors HF3086, which would include domestic partners in provisions governing health care rights. Under the bill, someone in a committed same-sex relationship would be able to request access to their partner's medical records, provide informed consent for their partner's medical procedure, consent to an autopsy and authorize organ donation – actions currently restricted to heterosexual spouses and next of kin.

The bill was approved March 2 by the House Health Care and Human Services Policy and Oversight Committee and sent to the House Civil Justice Committee. A companion, SF2763, sponsored by Sen. Yvonne Prettner Solon (DFL-Duluth), awaits action by the Senate Health, Housing and Family Security Committee.

Thissen's bill defines domestic partners as two same-sex adults who live together on a permanent basis and have assumed responsibility for each other's financial obligations and general well-being. According to the bill, domestic partners have a "committed interdependent relationship" with each other and no one else.

Tom Prichard, president of the Minnesota Family Council, said that definition "injects confusion and ambiguity into the law" and could cause conflict among family members. Prichard said the legislation attempts to set a precedent by giving same-sex couples the same kind of "legal obligations" reserved only for married couples.

"I would imagine many people that would like this bill to pass would love to have those legal obligations to each other but can't," Thissen replied. He said the provisions in the bill are common sense, as domestic partnerships are already recognized in many ways across the state.

— L. RADOMSKI

### Therapist licensure proposed

Lawmakers are revisiting a controversial proposal to register massage therapists with the Minnesota Board of Nursing.

Rep. Jim Abeler (R-Anoka) sponsors HF1503, which would create a statewide system for registering massage therapists

### GAMC RALLY



PHOTO BY TOM OLMSCHEID

Adalberto Morillo holds a candle and a photo of a homeless man that doesn't stay in shelters and would be difficult to enroll in MinnesotaCare if Gov. Tim Pawlenty's plan to eliminate GAMC funding takes effect on April 1. Several groups in support of GAMC gathered in the Capitol Rotunda March 1 to encourage House members to join their Senate counterparts in overriding a gubernatorial veto of program funding.

and administering disciplinary action in the case of misconduct. Registration would be optional, and therapists who choose to register would be exempt from the fees cities charge to practice within their boundaries.

Speaking to the House Licensing Division Feb. 25, Abeler said the bill would empower massage therapists by giving them a state credential. It would also give consumers more information about practitioners they choose to visit.

The division approved Abeler's bill and sent it to the House Health Care and Human Services Policy and Oversight Committee, which gave its approval March 2. The legislation was sent to the House Commerce and Labor Committee. A companion, SF1233, sponsored by Sen. Gary Kubly (DFL-Granite Falls), awaits action by the Senate Health, Housing and Family Security Committee.

Minnesota is one of seven states without some form of statewide registration or licensure for massage therapists, said Charles Sawyer, senior vice president of Northwestern Health Sciences University. His institution supports the bill "not because it's the ideal or perfect bill or that the public is at grave risk without it, but because it is a needed, logical and evolutionary step for a rapidly growing health profession."

Opponents said massage therapists are already governed by legislation passed in 1999.

"This committee and this Legislature are not

charged with recognition or acknowledgement of professions," said Gregory Schmidt, president of the Minnesota Natural Health Legal Reform Project. "...This proposal is a solution looking for a problem. There is no issue of need."

Nancy Hone, president of the Natural Health Practitioners of Minnesota, is concerned voluntary registration could lead to mandated licensure. She foresees cities passing ordinances to allow only registered therapists to practice in their communities.

— L. RADOMSKI

### Health reform heard

Gov. Tim Pawlenty's proposal to allow Minnesotans to purchase health insurance across state lines is part of a bill heard by a House committee.

Known as the Health Insurance Choice Act, HF2901 would implement a series of health care reform measures, including allowing the sale of out-of-state health plans and flexible benefit plans. Another provision would establish the MinnesotaCare modern benefit plan, a voluntary program in which the state would make contributions to enrollee health savings accounts and provide premium discounts.

"The ultimate goal is to get as many people insured as we possibly can," bill sponsor Rep. Laura Brod (R-New Prague) told the House Health Care and Human Services Policy and Oversight Committee March 3.

The committee voted 12-5 to send the bill to the House Commerce and Labor Committee without a recommendation. A companion, SF2504, sponsored by Sen. Julie Rosen (R-Fairmont), awaits action by the Senate Health, Housing and Family Security Committee.

Many companies selling commercial health insurance around the country are not selling in Minnesota, said Bob Johnson, president of the Insurance Federation of Minnesota. The hope is that allowing more companies to sell in-state would increase competition and drive down prices, he said, though the policy is not a cure-all for rising health care costs.

While the governor's proposal includes provisions to create a level playing field between in-state and so-called "foreign" companies, some people feel the legislation does not go far enough.

Dannette Coleman, vice president of public policy and government relations for Medica, said the bill would exempt out-of-state companies from certain statutes governing Minnesota groups. For example, one Minnesota rule limits how far back companies can look to identify pre-existing conditions. Outside companies would need to abide by rules in their home states, many of which have less stringent pre-existing condition policies.

— L. RADOMSKI

## SURGICAL THEATER



PHOTO BY TOM OLMSCHIED

The Great Hall of the Capitol was turned into a surgical theater Feb. 25 by members of the Minnesota State Assembly of the Association of Surgical Technologists. The mock surgery was to demonstrate a total knee replacement surgical procedure. The assembly is pursuing legislation that would make graduation from an accredited program in surgical technology and holding and maintaining a Certified Surgical Technologist Credential a prerequisite to employment in Minnesota.

## HIGHER EDUCATION

### Higher education cuts loom

Leaders of the state's public colleges and universities are telling lawmakers that another round of budget cuts to higher education would be a bad move for Minnesota.

University of Minnesota President Robert Bruininks said cuts proposed by Gov. Tim Pawlenty, when piled on top of other reductions made since 2003, would essentially roll back state support for the university by 10 years. He said the end result would be higher tuition, cuts to academic programs and reductions to staff and faculty.

"I think we have weathered these cuts creatively," Bruininks said. "I just want to tell you I think we have reached our limit."

Bruininks joined James McCormick, chancellor of the Minnesota State Colleges and Universities system, in arguing against the governor's plan. Bruininks spoke Feb. 25 to members of the House Higher Education and Workforce Development Finance and Policy Division, and McCormick spoke March 2.

Both argued higher education has historically been a key factor in Minnesota's economic success, and said more investment in state colleges and universities — not less — is needed to continue that legacy.

"I would argue very strongly that a state budget that does not make higher education at least a priority ... is a deliberate decision to compromise our future," Bruininks said.

McCormick said the new cuts proposed by the governor come at the worst possible time, as the sour economy has pushed laid-off workers back to college to search for new career paths.

"This fall semester, our enrollment grew by 7 percent, by more than 12,600 new students — the largest head count increase ever," McCormick said, adding that spring semester enrollment at the system's 34 colleges and universities is expected to be a record high.

Bruininks said that this year, for the first time ever, student tuition will account for a greater share of the university's funding than state support. He called on lawmakers to exercise "the wisdom and the vision" of their predecessors, who committed in the 1950s and 1960s to significant funding for higher education.

— N. BUSSE



PHOTO BY TOM OLSCHIED

**Student leaders listen Feb. 25 as University of Minnesota President Robert Bruininks tells the House Higher Education and Workforce Development Finance and Policy Division that he would like to see the university's proposed budget cut reduced by one-third to \$24 million.**

## INDUSTRY

### New law adds license requirements

**Signed  
by  
the  
governor**

Effective Aug. 1, 2010, a new law will add training and licensure requirements for school boiler operators and certain types of contractors.

Sponsored by Rep. Tim Mahoney (DFL-St. Paul) and Sen. Linda Scheid (DFL-Brooklyn Park), the law will clarify statutes relating to the licensing of various construction trades. Selected provisions include:

- requiring eight hours of annual training for school boiler operators;
- forbidding contractors from advertising services for which they are not licensed;
- establishing licensure requirements for those who install and maintain medical gas systems;
- requiring licensure for anyone who installs water conditioning systems; and
- allowing cities to establish rules that require exterior work on buildings to be completed within a certain time frame following issuance of a building permit.

Mahoney described the legislation as a "housekeeping bill" for the Department of Labor and Industry.

HF927\*/SF1004/CH183

— N. BUSSE

## LOCAL GOVERNMENT

### Green revenue bond issuance

If you want to install solar panels, energy-efficient windows or other energy-saving improvements in your home or business, but don't have a lot of cash or home equity, a third way could become available.

HF3109, sponsored by Rep. Jeremy Kalin (DFL-North Branch), would allow cities or counties to sell green revenue bonds and offer financing for property owners of qualifying property to make energy improvements. The funds would be repaid by a special assessment that would stay with the property if sold.

The financing program would be voluntary for individual property owners, with no municipality able to establish a special energy assessment district and then require an owner to participate.

Rep. Rob Eastlund (R-Isanti), citing the foreclosure crisis, told the House Local Government Division March 1 he is concerned that such a program could inadvertently allow some homeowners to take on more repayment obligation than they can afford.

"Typically with a government agency, the ability to repay is assessed more generously," Eastlund said. He also thinks the proposed maximum 20-year loan payback is too long, and that a shorter term could prevent long-term liability for faulty products or installation.

Kalin said there are built-in safeguards that include the bonds being taxable and that a limit on the loan amount would be the lesser of 10 percent of the appraised property value or the actual cost of the improvement.

The division approved the bill and sent it to the House State and Local Government Operations Reform, Technology and Elections Committee. Sen. John Doll (DFL-Burnsville) sponsors a companion, SF2720, which awaits action by the Senate State and Local Government Operations and Oversight Committee.

— K. BERGGREN

### Bridge plans swing forward

A bridge built in 1895, closed in 1999 and ordered removed by the U.S. Coast Guard in 2001, may get a reprieve from the scrap heap.

The Rock Island Swing Bridge, owned by the City of Inver Grove Heights, was the last operating toll bridge in the Twin

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Cities metropolitan area. It was also the last operating swing bridge for auto traffic with a design that had cars use the bottom deck, while trains used the top deck. The city hopes to convert the bridge into a recreational pier.

Just days before the bridge was scheduled for demolition last year, a law was enacted giving the bridge a two-year reprieve so planners would have enough time for fund raising.

It took less than a year to raise the money, Rep. Joe Atkins (DFL-Inver Grove Heights) told the House Finance Committee March 1. "We're prepared to have the moratorium removed, so the preservation and restoration efforts can move forward."

According to the city's Web site, the plan includes refurbishing the existing spans, and the construction of two new spans to connect the pier to shore. A park on adjacent land is also planned.

The committee approved HF2485/SF2253\*, sponsored by Atkins and Senate President James Metzen (DFL-South St. Paul), to eliminate the two-year moratorium. It now awaits action by the full House.

The bill was passed 64-0 by the Senate Feb. 22.

— L. SCHUTZ

## MILITARY

### Veterans of Foreign Wars Day

A Veterans of Foreign Wars Day would be established in Minnesota, under a bill approved by the House Agriculture, Rural Economies and Veterans Affairs Committee March 1.

Sponsored by Rep. Jerry Newton (DFL-Coon Rapids) and Sen. Lisa Fobbe (DFL-Zimmerman), HF2674/SF2475\* would recognize May 28 because it is the same day the Veterans of Foreign Wars was established by Congress in 1899.

Although no opposition was raised, Rep. Bob Dettmer (R-Forest Lake) said in a previous committee that another bill has been approved that would designate a state American Legion Day, and a similar day was designated for veterans last year. Noting that Minnesota has many chartered veterans groups, he asked, "To what point do we start closing the door?"

Newton said the American Legion and Veterans of Foreign Wars are two of the state's largest serving organizations. "Anytime we can honor our veterans for their service it's a good thing."

The bill, passed 64-0 by the Senate Feb. 22, now goes to the House Finance Committee.

— P. OSTBERG

### Disabled veteran transit assurance

Removing one word should ensure that all disabled veterans can use public transportation at no cost.

A bill to clarify that all disabled veterans are qualified was approved by the House Agriculture, Rural Economies and Veterans Affairs Committee March 1.

Rep. Jerry Newton (DFL-Coon Rapids), who sponsors HF2672 said, "(It) simply clarifies for the veterans that they don't have to be 100 percent disabled in order to ride." Some veterans were confused because a law passed last session says, "permanent service-connected disability." The bill removes the word "permanent."

There was no opposition to the bill, which now goes to the House floor.

A companion, SF2429, sponsored by Sen. Sharon Erickson Ropes (DFL-Winona), awaits action by the Senate Transportation Committee.

— P. OSTBERG

## RECREATION

### Cross-country ski fee hike sought

Avid cross-country skiers who voluntarily groom state ski trails are asking lawmakers to increase trail use fees so they can recover their material costs.

The House Environment Policy and Oversight Committee approved a bill March 2 that would increase the annual fee from \$14 to \$19; a three-year pass from \$39 to \$54; and daily passes from \$4 to \$5. Fees pertain to persons age 16 and older.

Sponsored by Rep. Brita Sailer (DFL-Park Rapids), HF3207 awaits action by the House Environment and Natural Resources Finance Division.

Another provision would exempt students, teachers and chaperones from paying a trail use fee during school-sanctioned and non-profit youth organization activities.

Darby Nelson, president of Conservation Minnesota and a former legislator who sponsored the original ski pass bill 25 years ago, said ski clubs recognize there's no money in state government to pay for trail maintenance. The clubs are willing to continue voluntarily grooming trails; they simply want to recover their costs of purchasing grooming materials.

Sen. Tom Saxhaug (DFL-Grand Rapids) sponsors a companion, SF2863, which awaits action by the Senate Environment, Energy and Natural Resources Budget Division.

— S. HEGARTY

### Land purchase for park questioned

Lured by the potential economic impact of 400,000 tourists annually to his district, Rep. David Dill (DFL-Crane Lake) said he agreed to sponsor a capital investment bill that would authorize an \$18 million purchase price for new state parkland.

On the same day Minnesota's projected state budget deficit improved to \$994 million for the current biennium, Dill told the House Environment Policy and Oversight Committee March 2 that the request puts him in an "awkward situation."

Gov. Tim Pawlenty proposed Lake Vermilion State Park in 2008, and the Legislature authorized up to \$20 million in bonds to purchase the land. However, the law capped the price at no more than 12 percent above the land's appraised value. U.S. Steel had the land appraised at \$20.3 million. State appraisals were much less, but since the appraisal is "private data," lawmakers can only assume the negotiated \$18 million sale price was above the cap, prompting the need for HF2838, sponsored by Dill.

A May 31 deadline looms to close on the property or U.S. Steel may move ahead with other plans for the 2,500-acre site, according to the Parks & Trails Council of Minnesota. Dill said his bill would "trump" the 12 percent cap statute and allow the sale to go through. But Rep. Al Juhnke (DFL-Willmar) said legislators would be "setting a very dangerous precedent to lift and go above the cap."

Juhnke also questioned whether the bill would require the same two-thirds majority floor vote necessary to pass bonding bills. After Juhnke requested legal advice about the required votes, the bill was approved and referred to the House Environment and Natural Resources Finance Division.

A companion, SF2533, sponsored by Sen. Tom Bakk (DFL-Cook), awaits action by the Senate Environment, Energy and Natural Resources Budget Division.

The location on Lake Vermilion would be the first major state park built in 30 years.

— S. HEGARTY

## SAFETY

### No lowering of aggravated DWI

Penalties will not change for those whose blood-alcohol concentration level is double the state limit. A bill, HF2979, that would lower the threshold for an enhanced penalty was defeated by the House Public Safety Policy and Oversight Committee on a split-voice vote March 2.

Sponsored by Rep. Paul Rosenthal (DFL-Edina), the bill would have lowered the

If you have Internet access, visit the Legislature's  
Web page at: [www.leg.mn](http://www.leg.mn)

BAC from 0.20 percent to 0.16 percent as an aggravating factor under DWI law. It has no Senate companion.

"When we lowered the limit from .10 to .08, we didn't correspondingly lower the aggravating number," Rosenthal said. "We're just making the statement that we think it should be double as it originally was."

Current law establishes a number of increased penalties for an aggravated DWI, including double applicable license revocation periods and plate impoundment.

"The average alcohol concentration of somebody arrested for a DWI is .16," said Steve Simon, a professor at the University of Minnesota Law School. "People at a .16 have been doing a lot of drinking on a regular basis. ... That lowered number accurately reflects people who have a serious problem, not with the responsible use, but the abuse of alcohol."

An estimated 7,500 drivers now charged with misdemeanor DWI would be charged with the more serious gross misdemeanor.

Rep. Paul Kohls (R-Victoria), a self-described "very reluctant supporter" of moving to 0.08 percent, suspects increased county costs for more jail time.

"There's a huge expense both to the state with doing this and there's collateral consequences to a lot of individuals who maybe made a really bad decision once," Kohls said. "Unless I can be convinced that we're going to dramatically increase public safety by making this change, I'm not sure it's something that I'm ready to support."

— M. Cook

### Other felony DWIs count here

Someone who gets their first DWI in Minnesota could have a similar infraction in another state count against them here.

Sponsored by Rep. Paul Rosenthal (DFL-Edina), HF2978 would amend Minnesota's first-degree DWI crime to include felony DWI convictions in another state.

Approved March 2 by the House Public Safety Policy and Oversight Committee, the bill was sent to the House Finance Committee with a recommended re-referral to the House Public Safety Finance Division. It has no Senate companion.

Currently, a person is guilty of a first-degree DWI if they commit the violation within 10 years of the first of three or more DWI violations; they have previously been convicted of felony DWI; or they have been convicted of felony criminal vehicular operation.

Under current law, only second DWIs and beyond are considered felonies in Minnesota; however, for them to count, the offenses had to occur in this state, said Steve Simon, a professor at the University of Minnesota Law

School. Prosecutors want to be able to charge a first-time offender in Minnesota with a felony if, for example, they have multiple felony DWIs in Wisconsin.

"The limitation of the law is that other state laws have to be in conformity with ours," Simon said. "That's a protection so that somebody is not swept in for something that wouldn't basically be a felony in Minnesota. ... It's only a small number of people, but it's a justice type of issue."

— M. Cook

### Firefighter background checks

A person dialing 911 assumes that responding emergency personnel are properly trained and are upstanding citizens.

Sponsored by Rep. John Lesch (DFL-St. Paul), HF3130 would authorize fire departments to run criminal background checks on current employees no more than once per year. Now, checks can only be run on applicants.

Jerry Streich, chief of the Centennial Fire District, said that when he took over in 2008, he did not know the personnel, and later found out about one employee's criminal history.

"I was concerned that that individual was not meeting, or was not fitting, the core values or mission of the district in which I serve," he said. "I tried to collect that data, and I was unable to because the data requires consent of the individual."

After several months of working on the issue, the employee ended up murdering his wife before committing suicide.

"This would not have halted this incident from occurring, but it would have allowed me, in the interest of public safety, to look at this individual and see if that's the type of individual I want responding to Mrs. Citizen with the sore arm or Mr. Citizen who's calling us to respond to protect their property and life," Streich said.

The information would be considered private data and handled as any other such data.

Lesch noted that some larger departments are represented by unions, so a background check timeline would have to be negotiated.

Approved Feb. 26 by the House Crime Victims/Criminal Records Division, the bill awaits action by the House Public Safety Policy and Oversight Committee. A companion, SF2363, sponsored by Sen. Don Betzold (DFL-Fridley), awaits action by the Senate Judiciary Committee.

— M. Cook

### Keep firefighter training funding

Minnesota homeowners pay into a special revenue account designed to help protect their well-being.

Gov. Tim Pawlenty wants to take \$9.9 million from the Fire Safety Account, which helps pay for firefighter training, to help balance the state's budget shortfall.

Rep. Steve Smith (R-Mound) doesn't think that is right.

Held over by the House Public Safety Finance Division Feb. 25 for possible omnibus bill inclusion, HF2844, sponsored by Smith, would appropriate \$4.4 million from the account in the current biennium for fire safety training. A companion, SF2502, sponsored by Sen. Ann Rest (DFL-New Hope), awaits action by the Senate Public Safety Budget Division.

This is a supplemental budget appropriation to support account purposes, Smith said. "The money has been available in the account since the end of the fiscal year on June 30, 2009. ... These are unappropriated funds that have been collected for a specific purpose."

Fund revenue comes from a 0.65 percent surcharge on homeowner and commercial insurance properties, about \$5.20 per year on an average home.

Because budget documents show that the dedicated fund, created in 2006, has a structural surplus of almost \$4 million per year, the governor seeks to transfer the current balance and \$3 million of the anticipated \$4 million structural surplus in fiscal years 2010 and 2011. It is estimated that \$1.5 million would remain in the account in the current fiscal year and \$2.7 million the next.

The first year the fund was available, there were \$2 million in requests and \$1 million was given to the firefighter training board, and in the second year there was \$2.5 million in requests and \$1.4 million was given to the training board, said Tim Leslie, assistant commissioner with the Department of Public Safety. "With all the other requirements of the account — fire marshal's office, regional response team funding — we weren't able to meet all those needs as requested by the fire departments."

— M. Cook

## TAXES

### CARZ proposal revs up

CARZ, the governor's proposed incentive to help keep the St. Paul Ford plant in operation, was held over by the House Taxes Committee March 3 for possible inclusion in its omnibus bill.

Ford has threatened to close the plant in recent years, but the facility received a reprieve until at least the end of 2011 as sales of the Ranger truck it produces have increased.

Sponsored by Rep. Michael Paymar (DFL-St. Paul), HF2329, the Create Automotive

Recovery Zone proposal, focuses on creating a series of state and local tax exemptions to help make the site viable to Ford or another vehicle manufacturer.

Under the bill, a special tax zone would be created around the plant and exist for 12 years. To be eligible for tax incentives, guidelines call for a business with a minimum of 750 full-time positions, plus an additional incentive of \$3,500 would be offered for every new, permanent job above the minimum. There would be no incentives for contracted employees.

St. Paul Mayor Chris Coleman said the proposal is about retaining and growing jobs, calling the facility a significant asset to his city. He called the CARZ proposal a sign to other employers that the state is serious about keeping and attracting businesses. "Unless we as a state get more aggressive to target these jobs, we won't have these jobs," he said.

Committee Chairwoman Rep. Ann Lenczewski (DFL-Bloomington) said that, as with any other tax credit proposal, there is a price tag, and questioned how it would be funded.

Rep. Keith Downey (R-Edina) said that the governor's supplemental budget pays for the credit through cuts.

"We hear that we have a bad tax climate, but we don't account for the jobs that are losing because of cuts," countered Rep. Tina Lieblich (DFL-Rochester).

The bill's companion, SF1232, sponsored by Sen. Ellen Anderson (DFL-St. Paul), was laid over by the Senate Taxes Committee for possible inclusion in an omnibus bill.

— L. SCHUTZ

### Tax relief for Haitian help

People donating financially to organizations providing earthquake relief in Haiti can choose to claim the charitable contribution on their 2009 itemized federal tax return, rather than the 2010 return.

Sponsored by Rep. Ann Lenczewski (DFL-Bloomington) and Sen. Tom Bakk (DFL-Cook), HF2763/SF2352\* would allow the same accelerated deduction on state income tax returns.

The bill was passed 56-0 by the Senate Feb. 18; however, an effective date was inadvertently left off the bill. Amended to an effective date for taxable years beginning after Dec. 31, 2008, the bill was passed 131-0 by the House March 1. It took a short detour back to the Senate and was passed 59-0 on March 4. It now awaits action by the governor.

Lenczewski said the expected net cost to the state is \$10,000.

The federal special tax relief provision was enacted Jan. 22, to make deductible monetary contributions to qualifying charitable organizations that are assisting with relief efforts in Haiti following the Jan. 12 earthquake.

Only cash contributions made to qualifying charities between Jan. 12, 2010, and Feb. 28, 2010, are eligible for the federal deduction, according to Internal Revenue Service regulations. This includes contributions made by text message, check, credit card or debit card.

— L. SCHUTZ

## TRANSPORTATION

### Non-highway motor fuel use study

Members of one House division were deluged with e-mails regarding a proposed study about non-highway motor fuel use. Their concern? That potential findings may end up closing plants that manufacture all-terrain vehicles, more restrictions on ATV use on public right-of-ways and higher user fees.

"Unfortunately who ever sent the e-mails, sent out a lot of erroneous things, things that are not in the bill, and it really created a problem," Rep. Bernie Lieder (DFL-Crookston) told the House Transportation Finance and Policy Division March 2.

Lieder, the division chairman, sponsors

HF3148, which would authorize a \$250,000 study on fuel use for non-highway purposes. This includes motorboats, snowmobiles, ATVs and off-highway motorcycles.

Gas tax proceeds are used not only for roads but also for non-highway uses that the Department of Natural Resources oversees. The last time a study was commissioned on the subject, it was conducted by the DNR, Lieder said. "That's like putting the fox in the hen house. That's their money."

This study, conducted by the University of Minnesota Center for Transportation Studies, would hope to:

- develop a methodology that objectively and accurately provides estimates of motor fuel use for each non-highway purpose;
- develop estimates of motor fuel use for each non-highway purpose;
- evaluate the costs incurred for each public locale due to use by non-highway purposes; and
- provide, based on the study results, policy options for any changes to the attribution of motor fuel use. A report would be due to the Legislature by Feb. 1, 2011.

Because there is so much concern on both sides of the issue, Lieder tabled the bill and said it would receive a full hearing at a later date.

There is no Senate companion.

— L. SCHUTZ

### VIDEO HEARING



PHOTO BY TOM OLSCHIED

**Members of the House and Senate transportation committees listen to a video message from U.S. Transportation Secretary Ray LaHood during a March 3 informational hearing on distracted driving.**



# Red River Basin: 'Here we go again'

Flood-prone communities look to keep their heads above water

By SUE HEGARTY

**A**lden Gjevre and his wife, Patricia, moved to Rivershore Drive in Moorhead in 1968. The following spring, a ravine behind their home and the Red River across the street threatened to flood the house.

Then during the 1997 flood, sandbags couldn't keep 8 inches of sewage from backing up in the couple's finished basement, costing \$11,765 to cleanup. Gjevre, 77, had automatic valves installed to prevent future backups and didn't remodel, which would have carried a \$40,000 price tag.

When the Red River of the North flooded last year, the Gjevres' home dodged major damage because of an earthen dike built where his former neighbor's house once stood and was removed thanks to flood mitigation funds.

This week, Moorhead volunteers began filling 300,000 sandbags in preparation for another round of spring flooding. Gjevre said he hopes state grants will be available so the city can purchase his house, one of 50 remaining on the city's acquisition list.

In St. Paul, legislators have begun prioritizing limited funds for long-term mitigation and crises management.

After the 550-mile Red River exceeded its banks last spring, the state appropriated \$53 million in bond proceeds to pay for flood mitigation.

Last summer, the City of Moorhead matched an \$8 million state appropriation with \$8.2 million in local resources. The funds were allocated toward short-term infrastructure needs until a permanent flood protection project can be constructed. A portion of the local share was assessed to benefitting properties, and stormwater fees were increased citywide to pay the local share. About 25 flood mitigation projects are now underway in Moorhead and another

35 are being designed, such as the installation of gated storm sewers, pumping stations, flood walls and an earthen levee.

The Red River flows north between the Minnesota-North Dakota border from Breckenridge, Minn. to Lake Winnipeg in Manitoba, Canada. Gjevre recently maximized his flood insurance to \$250,000 "in case the house ends up in Winnipeg."

Rural watershed managers fear recent Fargo-Moorhead flood relief projects will create extreme flooding conditions for communities downstream.

Ice jams caused water to back up 28 miles downstream last year and "through extreme sandbagging efforts, we were able to save the town," said Hendrum Mayor Curt Johannsen. Water levels through Hendrum could be 6-8 inches higher this year because of what's happening upstream, Johannsen said. "We need this money now more than ever because of the proposed Fargo-Moorhead diversion," he said.

Rep. Morrie Lanning (R-Moorhead) empathized. "I know my colleagues back in Moorhead and Clay County share that concern. We want that problem solved."

Up to this point, strategies have focused on diverting the water, but Charlie Anderson, a civil engineer and member of the Red River Watershed Management Board, said holding the water on land longer should be part of the solution. Wetlands, culverts and impoundment lots could produce lasting

The Red River of the North flows north between the Minnesota-North Dakota border from Breckenridge, Minn. to Lake Winnipeg in Manitoba, Canada.



benefits for wildlife and create short-term jobs in the region, as well as alleviating the downstream affects. Local authorities support holding more water on the land, but those alternatives wouldn't qualify for federal cost sharing.

Working with the cities on a feasibility study, the U.S. Army Corps of Engineers determined that a 25-mile diversion channel on the Minnesota side of the Red River is the most cost-effective way to reduce water flow on the river. The levee would start near Rustad, going east and north across Interstate 94 to a rail-yard in Dilworth, turning toward Kragnes, ending back at the Red River north of County Road 96. The estimated cost is between \$871 million and \$1.1 billion. The federal cost share would be about \$570 million, with the remainder presumably coming from local and state government.

**Flooding continued on page 23**

# Money for the Vikings — and more

Racino proposal tops a slew of gaming expansion plans

By Nick Busse

**I**t was gambling night for the House Commerce and Labor Committee Feb. 25, as committee members took testimony, but no action, on four separate proposals that would expand gaming in Minnesota.

Topping the agenda was the controversial Vikings-racino plan. Sponsored by Rep. Tom Hackbarth (R-Cedar), HF2578 would ask voters to approve a constitutional amendment to authorize casinos at horse tracks, thus establishing so-called “racinos.” Taxes on the resulting profits would help pay for a new stadium, with whatever’s left over going into the state’s General Fund.

Hackbarth said the proposal represents a

reasonable compromise that would keep the Vikings in Minnesota as well as help close the state’s budget gap.

“We need income into the state of Minnesota to help balance this budget, and it also saves the Minnesota Vikings. ... As you know, their contract runs out at the Metrodome after the 2011 season,” Hackbarth said.

Minnesota currently allows betting at two horse racing tracks — Canterbury

Park in Shakopee and Running Aces Harness Park in Columbus. Hackbarth cited research indicating that allowing these two tracks to operate slot machines would generate up to \$125 million annually in new tax revenue.

Cory Merrifield, founder of SavetheVikes.org, called the racino plan “a stadium and deficit solution that nearly pays for itself.”

“Some legislative leaders have said that Minnesota is not looking to expand gambling,” Merrifield said. “But the truth is, gambling is here, and it’s not going to go away.”

Not everyone agreed with his assessment.

Tom Prichard, president of the Minnesota Family Council, said social costs associated with gambling far outweigh the benefits of any new tax revenues. He said an expansion of gambling would lead to increased gambling addiction, crime, bankruptcies and divorce.

“We believe this is a bad way to raise taxes. It targets the poor and those who can least afford it,” Prichard said.

Several testifiers representing American Indian communities argued that it would compete with tribal gaming operations.

“Revenues generated at our tribal government gaming operation provide critical funding for education, health care and public safety services,” said Victoria Winfrey, president of the Prairie Island Indian Community.

Meanwhile, Dan O’Gara, representing the Minnesota Licensed Beverage Association, said bar and restaurant owners also oppose the racino plan because they fear it could lure customers away from their own pull-tab gambling.

A companion, SF2810, sponsored by Sen. Debbie Johnson (R-Ham Lake), awaits action by the Senate State and Local Government Operations and Oversight Committee.

## Pull-tabs, slots and sports betting

Three other gambling bills got their first hearing from the committee — albeit with less debate.

Rep. Robin Brown (DFL-Moscow Township) sponsors HF2034, which would authorize electronic pull-tab games. Pull-tabs provide charitable gaming revenues to various community service and veterans organizations. Brown said allowing the electronic version of pull tabs would make running the games more cost-effective for those groups.

“It’s a form of gambling that’s already legal. It’s already regulated. People understand it here in Minnesota,” Brown said, adding that the electronic version of pull-tabs functions exactly the same way as the paper version.

Brown estimated that an additional \$650 million per year in charitable gaming revenues would be generated by allowing electronic pull-tabs. That translates into an extra \$17 million a year in state tax revenues, she said.

**Gambling continued on page 23**



PHOTO BY TOM OLMSCHIED

Representing the Tavern League of Minnesota, Dan Campo demonstrates a video pull-tab machine during a hearing of the House Commerce and Labor Committee Feb 25.

## Monday, March 1

### **HF3210-Davids (R)** **Commerce & Labor**

Minnesota Comprehensive Health Association provisions modified.

### **HF3211-Thissen (DFL)** **Health Care & Human Services** **Policy & Oversight**

Community paramedics added to the list of community health workers.

### **HF3212-Simon (DFL)** **Health Care & Human Services** **Policy & Oversight**

Continuing education requirements exception provided for licensed professional counselors.

### **HF3213-Bigham (DFL)** **Public Safety Policy & Oversight**

Controlled substances schedule amended by adding tramadol to schedule IV.

### **HF3214-Newton (DFL)** **Finance**

Referendum equalizing factor increased and second tier of referendum equalization eliminated.

### **HF3215-Newton (DFL)** **K-12 Education Policy & Oversight**

Equal treatment required of students eligible for free or reduced priced meals and certain collection activities prohibited.

### **HF3216-Masin (DFL)** **Higher Education & Workforce** **Development Finance & Policy** **Division**

Report required on at-risk businesses and a fast-action economic response team created.

### **HF3217-Ruud (DFL)** **Health Care & Human Services** **Policy & Oversight**

Excessive enrollee cost-sharing limited on biologic prescription drugs.

### **HF3218-Hornstein (DFL)** **Taxes**

Transit improvement districts authorized.

### **HF3219-Demmer (R)** **Finance**

Independent School District No. 203, Hayfield, fund transfer permitted.

### **HF3220-Jackson (DFL)** **Early Childhood Finance &** **Policy Division**

Child care assistance program modified.

### **HF3221-Holberg (R)** **Transportation & Transit Policy** **& Oversight Division**

Town road extinguishment nullification procedures amended.

### **HF3222-Jackson (DFL)** **Taxes**

State-paid refund provided of certain property tax increases on agricultural property, and percentage temporarily reduced of rent constituting property taxes.

### **HF3223-Newton (DFL)** **Environment Policy & Oversight**

Wetland notification required prior to sale of real property.

### **HF3224-Beard (R)** **Finance**

Transportation projects provisions modified.

### **HF3225-Slawik (DFL)** **Early Childhood Finance** **& Policy Division**

Child care assistance provider rates modified.

### **HF3226-Newton (DFL)** **Finance**

Independent School District No. 11, Anoka-Hennepin, fund transfer authorized.

### **HF3227-Persell (DFL)** **Environment Policy & Oversight**

Cass Lake spearing rulemaking required.

### **HF3228-Rukavina (DFL)** **Finance**

Renewable energy source conversion grant program created for municipal utilities and cooperative electric associations.

### **HF3229-Abeler (R)** **Health Care & Human Services** **Policy & Oversight**

Family child care background checks required by state.

### **HF3230-Dill (DFL)** **Environment Policy & Oversight**

Public access acquisition moratorium established for public waters without a public access.

### **HF3231-Dill (DFL)** **Environment Policy & Oversight**

Boundary Waters Canoe Area Wilderness riparian land exchange permitted.

### **HF3232-Atkins (DFL)** **Finance**

Minnesota Nuclear Waste Storage Commission created, Minnesota ratepayer fees required for permanent storage of high-level radioactive waste to be remitted to the commissioner of homeland security and emergency management, nuclear waste escrow account modified and money appropriated.

### **HF3233-Dill (DFL)** **Taxes**

Motor vehicle repair parts and supplies sales tax imposed.

### **HF3234-Hosch (DFL)** **Health Care & Human Services** **Policy & Oversight**

Continuing care policy and technical provisions changed.

### **HF3235-Persell (DFL)** **Commerce & Labor**

Bemidji Regional Event Center intoxicating liquor license issued.

### **HF3236-Huntley (DFL)** **Finance**

Commissioners of health and human services required to provide fiscal and actuarial analysis.

### **HF3237-Huntley (DFL)** **Health Care & Human Services** **Policy & Oversight**

Health care eligibility provisions changed relating to individualized education plan requirements, state health access program, children's health insurance reauthorization act, long-term care, asset transfers, clinics, dental benefits, prior authorization, drug formulary and administrative uniformity committees, preferred drugs, multisource drugs, health plans and claims against the state.

### **HF3238-Huntley (DFL)** **Commerce & Labor**

Private-sector health insurance required to cover private duty nursing services when an inpatient hospital stay would otherwise be required.

### **HF3239-Abeler (R)** **Health Care & Human Services** **Policy & Oversight**

Licensing provisions changed, and background study requirements, disqualifications and data classification modified.

### **HF3240-Jackson (DFL)** **Transportation & Transit Policy** **& Oversight Division**

Sliding scale cargo insurance requirement provided for household goods carriers based on gross vehicle weight.

### **HF3241-Koenen (DFL)** **Taxes**

Marshall authorized to impose local sales and use, local lodging and local food and beverage taxes.

### **HF3242-Falk (DFL)** **State & Local Government** **Operations Reform, Technology** **& Elections**

Referendum by petition provided in an orderly annexation proceeding.

### **HF3243-Koenen (DFL)** **Health Care & Human Services** **Policy & Oversight**

MinnesotaCare program income definition modified.

### **HF3244-Falk (DFL)** **State & Local Government** **Operations Reform, Technology** **& Elections**

Annexation procedures limited.

### **HF3245-Atkins (DFL)** **Health Care & Human Services** **Policy & Oversight**

Interstate health insurance choice created.

### **HF3246-Liebling (DFL)** **Health Care & Human Services** **Policy & Oversight**

Chemical dependency treatment pilot projects created.

### **HF3247-Anderson, P. (R)** **Finance**

Retired emergency medical technician license plates issuance authorized.

### **HF3248-McFarlane (R)** **K-12 Education Policy & Oversight**

Jan. 15 deadline repealed by which school districts must reach a collective bargaining agreement or face a state aid penalty.

### **HF3249-McNamara (R)** **Environment Policy & Oversight**

Wild rice provisions modified.

### **HF3250-Thissen (DFL)** **Health Care & Human Services** **Policy & Oversight**

PACE programs authorization modified.

### **HF3251-Lillie (DFL)** **Commerce & Labor**

Portable electronics insurance sale and termination regulated.

### **HF3252-Hosch (DFL)** **Health Care & Human Services** **Policy & Oversight**

Medical Assistance asset limits modified and notice required regarding asset requirements in certain circumstances.

### **HF3253-Persell (DFL)** **Finance**

Water quality enhancement pilot program funding provided.

### **HF3254-Kelly (R)** **Energy Finance & Policy Division**

Siting wind energy conversion systems provisions modified and county authority modified to enact siting standards for wind energy conversion systems.

### **HF3255-Beard (R)** **Energy Finance & Policy Division**

Prohibition repealed on constructing coal plants or importing electricity generated from coal unless a state-wide plan to reduce greenhouse gas emissions from electricity generation is enacted.



**HF3256-Anderson, P. (R)**  
**Finance**  
Retired firefighter license plates issuance authorized.

**HF3257-Hansen (DFL)**  
**Finance**  
Anoka, Carver, Dakota, Hennepin, Ramsey, Scott and Washington counties; use of the clean water legacy account authorized to support local inflow and infiltration reduction programs.

**HF3258-Beard (R)**  
**Finance**  
Funds established in the constitution provided to pay for audit costs incurred by the legislative auditor.

**HF3259-Beard (R)**  
**Energy Finance & Policy Division**  
Utility's requirement modified to post notice of impending disconnection of utility services to a rental building due to a landlord's failure to pay for service.

**HF3260-Sterner (DFL)**  
**Finance**  
Dakota County; Dakota Future funding provided.

**HF3261-Sailer (DFL)**  
**Finance**  
Micro-energy loan program modified.

**HF3262-Olin (DFL)**  
**Agriculture, Rural Economies & Veterans Affairs**  
Compensation program modified for livestock crippled or destroyed by a gray wolf.

**HF3263-Hortman (DFL)**  
**Transportation & Transit Policy & Oversight Division**  
Speed limits in highway work zones governing provisions modified.

**HF3264-Hosch (DFL)**  
**Health Care & Human Services Policy & Oversight**  
Personal care assistant services modified.

**HF3265-Drazkowski (R)**  
**Environment Policy & Oversight**  
Extension provided for temporary closure status on underground storage tanks.

**HF3266-Murphy, E. (DFL)**  
**Finance**  
Pharmacy reimbursement rates adjusted.

**HF3267-Newton (DFL)**  
**K-12 Education Policy & Oversight**  
Advisory task force established on school desegregation and integration.

**HF3268-Otremba (DFL)**  
**Commerce & Labor**  
Video lottery terminals established, tax imposed and provided for video lottery revenue, lawful gambling taxes and conduct of electric bingo modified, and Gambling Control Board authorized to establish video pull-tab games.

**HF3269-Bunn (DFL)**  
**Health Care & Human Services Policy & Oversight**  
Medical Assistance dental coverage modified, eligibility criteria modified for the critical access dental programs and criteria set for designating and terminating critical access dental providers.

**HF3270-Mullery (DFL)**  
**Taxes**  
Research credit extended to individual income tax and portion of credit made refundable.

**HF3271-Rosenthal (DFL)**  
**Taxes**  
Research credit extended to individual income tax.

**HF3272-Ruud (DFL)**  
**Health Care & Human Services Policy & Oversight**  
Genetic counselors licensed.

**HF3273-Falk (DFL)**  
**Environment Policy & Oversight**  
Portable deer stands allowed to be erected and left unattended on public lands during deer season.

**HF3274-Obermueller (DFL)**  
**Higher Education & Workforce Development Finance & Policy Division**  
Benefit account requirements modified for unemployment benefits.

**HF3275-Faust (DFL)**  
**Transportation & Transit Policy & Oversight Division**  
Anhydrous ammonia transport vehicles and tanks inspections provided.

**HF3276-Hilstrom (DFL)**  
**Public Safety Policy & Oversight**  
Criminal abuse of a vulnerable adult crime made a registrable offense under the predatory offender registration law.

**HF3277-Simon (DFL)**  
**Commerce & Labor**  
Advertising of deceptive local telephone numbers for floral and locksmith businesses specified as a deceptive trade practice.

**HF3278-Garofalo (R)**  
**Finance**  
Supplemental appropriations made to comply with unallotment actions commencing in July 2009, appropriation reductions and policy changes made to agriculture, higher education, energy finance, transportation, economic development, state government, environment and natural re-

sources, public safety, education, state aid, credits, payments and refunds, and health and human services.

**HF3279-Huntley (DFL)**  
**Health Care & Human Services Policy & Oversight**  
Electronic health record technology provisions amended and administrative penalties provided.

**HF3280-Murphy, M. (DFL)**  
**State & Local Government Operations Reform, Technology & Elections**  
Amortization requirement calculation modified for lump sum volunteer firefighter relief associations.

**HF3281-Murphy, M. (DFL)**  
**State & Local Government Operations Reform, Technology & Elections**  
Volunteer fire relief associations technical corrections made, break-in-service return revised, Minnesota deferred compensation plan service pension transfers authorized, payout defaults revised in survivor benefits and corrections of certain special fund deposits authorized.

**HF3282-Lenczewski (DFL)**  
**State & Local Government Operations Reform, Technology & Elections**  
24-hour waiting period required before consideration of certain conference committee reports.

**HF3283-Kahn (DFL)**  
**State & Local Government Operations Reform, Technology & Elections**  
Legislator timing for payment of compensation changed and payments authorized for additional travel during special sessions.

**HF3284-Kahn (DFL)**  
**State & Local Government Operations Reform, Technology & Elections**  
Governor's line-item veto authority eliminated; constitutional amendment proposed.

**HF3285-Thissen (DFL)**  
**Commerce & Labor**  
Interior designer certification changed to licensing requirements.

**HF3286-Hornstein (DFL)**  
**Transportation & Transit Policy & Oversight Division**  
Metropolitan Council best value contracts and procurement authorized for transit vehicles.

**HF3287-Haws (DFL)**  
**State & Local Government Operations Reform, Technology & Elections**  
State employees, constitutional officers and members of the Legislature prohibited from using public funds to pay for the use of lodging, training and meeting facilities that make pornographic images available to their patrons.

**HF3288-Gardner (DFL)**  
**Environment Policy & Oversight**  
Clean water legacy account authorized to support Metropolitan Council water supply planning activities, Metropolitan Area Water Supply Advisory Committee sunset date eliminated and money appropriated from constitutionally dedicated funds.

**HF3289-Gardner (DFL)**  
**Environment Policy & Oversight**  
Urban storm water retention pond buffers required.

**HF3290-Thissen (DFL)**  
**Taxes**  
Income tax credits provided to encourage beginning farmers, beginning farmer program administered by the Rural Finance Authority modified and money appropriated for beginning farmer individual development accounts.

**HF3291-Sailer (DFL)**  
**Finance**  
Supplemental application fee waived for utility crossings of public lands and waters under certain conditions.

**HF3292-Davnie (DFL)**  
**State & Local Government Operations Reform, Technology & Elections**  
Hennepin County; business entity participation authorized for certain energy-related purposes.

**HF3293-Clark (DFL)**  
**Commerce & Labor**  
State Building Code amended and licensing requirements modified.

**HF3294-Peppin (R)**  
**State & Local Government Operations Reform, Technology & Elections**  
Sunset Advisory Commission created and state agency sunset and review provided.

**HF3295-Faust (DFL)**  
**Agriculture, Rural Economies & Veterans Affairs**  
Pesticide control provisions changed, waiver of fee authorized, bovine tuberculosis control provided, native grasses and wildflower seed production and incentive program eliminated, ownership of agricultural land authorized by certain nonprofit corporations.

**HF3296-Wagenius (DFL)**  
**Taxes**  
Alcohol use health and safety impact fund established, impact fee imposed and inter-fund transfers provided.

**HF3297-Thao (DFL)**  
**Commerce & Labor**  
Ethnicity of certain injured, sick or deceased employee records required.

**HF3298-Koenen (DFL)  
State & Local Government  
Operations Reform, Technology  
& Elections**

Discharge provided of a portion of an easement acquired by condemnation.

**HF3299-Hayden (DFL)  
Civil Justice**

Child support enforcement provisions updated on access to information and actions by a public authority.

**HF3300-Morrow (DFL)  
Civil Justice**

Judicial holds in commitment cases amended.

**HF3301-Peppin (R)  
Finance**

Department of Revenue required to issue a request for proposals for a tax analytics and business intelligence contract.

**HF3302-Brod (R)  
Taxes**

Job creation encouraged, investment credits provided, various income tax provisions changed, level of budgeted spending limited to the amount collected in the prior biennium, interlocutory appeal provided, governing merchant actions modified, private remedies modified, environmental permitting and review provisions modified and reports required.

**HF3303-Garofalo (R)  
Finance**

General education aid reduction restored for certain taconite distributions.

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## Thursday, March 4

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**HF3304-Urdahl (R)  
Agriculture, Rural Economies  
& Veterans Affairs**

Congress memorialized to amend the charter for the American Legion to authorize all veterans to join the legion.

**HF3305-Abeler (R)  
Health Care & Human Services  
Policy & Oversight**

Surgical technologist employment qualification required.

**HF3306-Downey (R)  
Taxes**

Taxes and tax-related provisions changes made; changes made to conform to the Internal Revenue Code, angel investment credit and Minnesota business investment company credit provided and TECHZ business program established.

**HF3307-Holberg (R)  
State & Local Government  
Operations Reform, Technology  
& Elections**

Legislature size reduced and legislative districts and congressional districts coordinated.

**HF3308-Newton (DFL)  
Finance**

Capital expenditure health and safety revenue program simplified.

**HF3309-Kalin (DFL)  
State & Local Government  
Operations Reform, Technology  
& Elections**

Minnesota's Living Treasures designation provided.

**HF3310-Hilstrom (DFL)  
Finance**

State Patrol tax compliance and vehicle crimes investigations funding provided.

**HF3311-Hilstrom (DFL)  
Finance**

Independent School District No. 286, Brooklyn Center, and Independent School District No. 624, White Bear Lake, innovation grant created and community school pilot project established.

**HF3312-Greiling (DFL)  
Public Safety Policy & Oversight**

Criminal penalty provided for intentionally rendering a service animal unable to perform its duties, offenders convicted of harming service animals required to pay restitution and civil remedies are not precluded by the criminal penalty for harming service animals.

**HF3313-Atkins (DFL)  
Energy Finance & Policy Division**

Long-term storage costs provided of spent nuclear waste.

**HF3314-Huntley (DFL)  
Health Care & Human Services  
Policy & Oversight**

Congress memorialized to enact the Federal Medical Assistance Percentage increase extension.

**HF3315-Bigham (DFL)  
Environment Policy & Oversight**

Criminal penalty provisions modified, participation in comprehensive incident-based reporting system provided and silencers for wildlife control use extended.

**HF3316-Drazkowski (R)  
Taxes**

St. Charles; sales tax exemption provided for construction materials for new and expanding businesses, and tax increment financing district creation authorized.

**HF3317-Mullery (DFL)  
Civil Justice**

Collection, dissemination, disclosure and use of data regulated; temporary classification provisions amended; and changes made.

**HF3318-Hortman (DFL)  
Civil Justice**

Uniform Unsworn Foreign Declarations Act enacting proposed for adoption by the National Conference of Commissioners on Uniform State Laws, and penalties provided.

**HF3319-Zellers (R)  
Taxes**

Cigar tax limited.

**HF3320-Solberg (DFL)  
Taxes**

Cohasset; tax increments use authorized to repay Cohasset for certain payments.

**HF3321-Lesch (DFL)  
Finance**

Collection of fees allowed under the license reinstatement diversion pilot program to be extended for 18 months.

**HF3322-Clark (DFL)  
Taxes**

Disposable bags excise tax imposed.

**HF3323-Clark (DFL)  
Transportation & Transit Policy  
& Oversight Division**

Towing of vehicles prohibited with disability plate or certificate.

**HF3324-Brynaert (DFL)  
Finance**

Minnesota investment fund expanded and construction mitigation pilot program grants restriction removed.

**HF3325-Dill (DFL)  
Environment Policy & Oversight**

Bear hunting license drawing provisions modified.

**HF3326-Demmer (R)  
Commerce & Labor**

Mechanics lien timeline modified.

**HF3327-Koenen (DFL)  
State & Local Government  
Operations Reform, Technology  
& Elections**

Employees of city- or county-owned hospital exempt from certain reporting requirements.

**HF3328-Davids (R)  
Finance**

Harmony; veterans facility funding provided.

**HF3329-Greiling (DFL)  
Finance**

Retired employee health benefits levy calculation clarified.

**HF3330-Greiling (DFL)  
Finance**

Revenue definitions clarified for school districts and charter schools.

**HF3331-Greiling (DFL)  
Finance**

Obsolete language removed.

**HF3332-Jackson (DFL)  
Agriculture, Rural Economies  
& Veterans Affairs**

Attorney fees and costs provided for prevailing parties seeking the enforcement of certain veteran's preference laws.

**HF3333-Hilstrom (DFL)  
Public Safety Policy & Oversight**  
Criminal penalty increased for assaulting a vulnerable adult; criminal penalties provided.

**HF3334-Juhnke (DFL)  
Transportation & Transit Policy  
& Oversight Division**

Trunk highway project bidding procedures amended, and use of alternative bidding required for competing paving materials.

**HF3335-Poppe (DFL)  
State & Local Government  
Operations Reform, Technology  
& Elections**

Mower County; process provided for making office of county recorder appointive.

**HF3336-Simon (DFL)  
State & Local Government  
Operations Reform, Technology  
& Elections**

Right of first refusal offers modified for property obtained with federal transit funding.

**HF3337-Greiling (DFL)  
State & Local Government  
Operations Reform, Technology  
& Elections**

Unicameral Legislature provided, and constitutional amendment proposed.

**HF3338-Kalin (DFL)  
State & Local Government  
Operations Reform, Technology  
& Elections**

Conflict of interest standards modified.

**HF3339-Champion (DFL)  
Commerce & Labor**

Cadmium jewelry banned.

**HF3340-Hayden (DFL)  
State & Local Government  
Operations Reform, Technology  
& Elections**

Postretirement option governing eligibility provisions modified.

**HF3341-Demmer (R)  
Transportation & Transit Policy  
& Oversight Division**

Olmsted County; Trunk Highway 52 specific service sign required.

**HF3342-Simon (DFL)  
Finance**

School districts authorized to use operating capital for certain costs associated with closing a school.

**HF3343-Hansen (DFL)  
State & Local Government  
Operations Reform, Technology  
& Elections**

Classified civil service appointments forbidden and report required on certain appointments.

**HF3344-Lesch (DFL)  
Taxes**

Homeless prevention and food shelf programs income tax check-off authorized.

**HF3345-Winkler (DFL)**  
**State & Local Government**  
**Operations Reform, Technology**  
**& Elections**  
Subdivision development contracts regulated.

**HF3346-Demmer (R)**  
**Finance**  
Southeastern Minnesota veterans cemetery funding provided.

**HF3347-Urdahl (R)**  
**Health Care & Human Services**  
**Policy & Oversight**  
School concession stands established as a specific category of food and beverage service establishments.

**HF3348-Magnus (R)**  
**Finance**  
Propane and anhydrous ammonia terminal capacity study required.

**HF3349-Falk (DFL)**  
**Environment Policy & Oversight**  
Deer quartering requirements modified.

**HF3350-Smith (R)**  
**State & Local Government**  
**Operations Reform, Technology**  
**& Elections**  
City employees prohibited from serving on the city council.

**HF3351-Thao (DFL)**  
**Environment Policy & Oversight**  
Scopes allowed on muzzleloaders.

**HF3352-Lesch (DFL)**  
**Public Safety Policy & Oversight**  
Fire safety provisions modified to require state fire marshal to coordinate investigation of fatal fires, and obsolete, redundant or unnecessary language clarified.

**HF3353-Lesch (DFL)**  
**Public Safety Policy & Oversight**  
Machine gun and short-barreled shotgun possession included on list of crimes against a person for registration under the Predatory Offender Registration Law.

**HF3354-Nornes (R)**  
**Finance**  
Grant eligibility modified, loan limits and terms modified, private institution fees increased, high school-to-college developmental transition program, terms defined, funds transferred and appropriations modified and reduced.

**HF3355-Bigham (DFL)**  
**Environment Policy & Oversight**  
Water drainage from watercraft required before transportation on public roads, and civil penalties modified.

**HF3356-Ruud (DFL)**  
**Health Care & Human Services**  
**Policy & Oversight**  
Dentistry practice definition modified.

**HF3357-Slawik (DFL)**  
**Taxes**  
Oakdale; tax increment financing duration extended.

**HF3358-Poppe (DFL)**  
**State & Local Government**  
**Operations Reform, Technology**  
**& Elections**  
Mower County; public business allowed to go to four-day week for five years.

**HF3359-Nelson (DFL)**  
**State & Local Government**  
**Operations Reform, Technology**  
**& Elections**  
Hennepin County; energy purchase authorized under forward pricing mechanisms.

**HF3360-Nelson (DFL)**  
**Commerce & Labor**  
Contractor continuing education requirements modified.

**HF3361-Holberg (R)**  
**Civil Justice**  
Domestic abuse or sexual attack programs exempted from data practice requirements, and data classified.

**HF3362-Davids (R)**  
**Environment Policy & Oversight**  
Petroleum tank release provisions modified.

**HF3363-Davids (R)**  
**Commerce & Labor**  
Petroleum storage tank requirements modified.

**HF3364-Jackson (DFL)**  
**Health Care & Human Services**  
**Policy & Oversight**  
Estate recovery provision amendment effective date delayed.

**HF3365-Swails (DFL)**  
**Taxes**  
Landfall Village; five-year rule extended for a district.

**HF3366-Demmer (R)**  
**Finance**  
Trunk highway bonds issued for interchange construction.

**HF3367-Bunn (DFL)**  
**Environment Policy & Oversight**  
Solid waste disposal facility requirements modified.

**HF3368-Winkler (DFL)**  
**State & Local Government**  
**Operations Reform, Technology**  
**& Elections**  
Campaign finance additional disclosure required in certain circumstances, disclaimer required on certain campaign materials, contribution and expenditure limits and amount increased to be designated by certain taxpayers for payment to the state elections campaign fund, and allotment restored for political contribution refunds.

**HF3369-Bunn (DFL)**  
**Environment Policy & Oversight**  
Disclosure of contaminated wells and special well construction areas required, and perfluorochemical testing required of new wells in certain areas.

**HF3370-Reinert (DFL)**  
**Taxes**  
Department of Revenue required to conduct a study on income tax reciprocity with Wisconsin.

**HF3371-Olin (DFL)**  
**Environment Policy & Oversight**  
Private sale authorized of certain tax-forfeited land.

**HF3372-Olin (DFL)**  
**Taxes**  
Agricultural properties market value growth limited and property tax targeting fund reduced.

**HF3373-Eastlund (R)**  
**Taxes**  
Green acres program remaining property deadline extended without additional taxes.

**HF3374-Eastlund (R)**  
**Taxes**  
Agricultural property market value growth limited and one-time credit established for certain agricultural properties.

**HF3375-Falk (DFL)**  
**Public Safety Policy & Oversight**  
Minnesota Correctional Facility-Moose Lake; control transferred, transferred portion required to house civilly committed sex offenders, incarceration of offenders required, renovation appropriation to be used to house civilly committed sex offenders, money appropriated for costs incurred by the Department of Corrections to incarcerate the offenders.

**HF3376-Falk (DFL)**  
**Agriculture, Rural Economies**  
**& Veterans Affairs**  
Limited liability partnerships prohibited from owning or farming agricultural land, and certain exemptions provided.

**HF3377-Rukavina (DFL)**  
**Taxes**  
Biwabik; imposition of local taxes authorized.

**HF3378-Falk (DFL)**  
**Finance**  
Public safety-related purposes funding provided.

**HF3379-Gottwalt (R)**  
**State & Local Government**  
**Operations Reform, Technology**  
**& Elections**  
Legislature membership number reduced, and Senate district division prevented in the formation of a congressional district.

**HF3380-Brynaert (DFL)**  
**Commerce & Labor**  
Successor corporation asbestos-related liabilities limited.

**HF3381-Mullery (DFL)**  
**Public Safety Policy & Oversight**  
Juvenile history data retention increased to one year for a child who was arrested, but not referred to a diversion program and delinquency petition has not been filed.

**HF3382-Lesch (DFL)**  
**Public Safety Policy & Oversight**  
Public hearings and public access to juvenile records governing provisions modified, expungement authorized of certain juvenile records and human services commissioner authorized to grant set of asides or variances for certain individuals disqualified from licensure because of an offense as a juvenile.

**HF3383-Holberg (R)**  
**Civil Justice**  
Data classification established of private for vehicle information in orders for protection or no contact orders.

**HF3384-Slawik (DFL)**  
**Civil Justice**  
Common interest communities resident remedies enhanced when community associations or its board of directors violates state law or the association's own governing documents.

**HF3385-Mullery (DFL)**  
**Public Safety Policy & Oversight**  
Ignition interlock program eligibility extended to include violators of the "no alcohol" requirement of a restricted driver's license.

**HF3386-Swails (DFL)**  
**Commerce & Labor**  
Residential contracts performance guidelines required, statutory warranties modified, notice and opportunity to repair required and dispute resolution procedures provided.

**HF3387-Urdahl (R)**  
**Environment Policy & Oversight**  
Health insurance pool for farmers established, agriculture-related business environmental permitting modified, environmental review requirements modified, tax incentives provided for angel investments and water conservation and environmental assessment worksheets allowed to be completed online.

**HF3388-Garofalo (R)**  
**Finance**  
Prekindergarten through grade 12 education provided and rulemaking authorized.



**HF3389-Mahoney (DFL)**  
**State & Local Government**  
**Operations Reform, Technology**  
**& Elections**  
Minnesota Science and Technology authority created.

**HF3390-McFarlane (R)**  
**Civil Justice**  
Limitation period modified for certain actions to declare the nonexistence of the father and child relationship.

**HF3391-Olin (DFL)**  
**Civil Justice**  
Children in need of protection or service provisions modified.

**HF3392-Bunn (DFL)**  
**State & Local Government**  
**Operations Reform, Technology**  
**& Elections**  
County and state fair surcharges authorized, municipalities authorized to raise and spend money on 4-H, and University of Minnesota Extension Service policy required.

**HF3393-Jackson (DFL)**  
**Civil Justice**  
Minnesota Common Interest Ownership Act amended.

**HF3394-Ward (DFL)**  
**Commerce & Labor**  
Benefit payment or wage supplement time limits modified and criminal penalties imposed.

**HF3395-Clark (DFL)**  
**Commerce & Labor**  
Window fall prevention device requirement modified.

**HF3396-Abeler (R)**  
**Health Care & Human Services**  
**Policy & Oversight**  
Health plan companies required to submit medical claims data to health plan sponsors.

**HF3397-Ruud (DFL)**  
**Health Care & Human Services**  
**Policy & Oversight**  
Sexually transmitted infections and HIV prevented, responsible family life and sexuality education program created, state plan development required for preventing STD's and HIV.

**HF3398-Atkins (DFL)**  
**Commerce & Labor**  
Former employees provided option to bypass continuation coverage and obtain low-cost immediate conversion health insurance coverage from their former employer's insurer.

**HF3399-Juhnke (DFL)**  
**Commerce & Labor**  
Jobs, family and economic development fund developed; funding mechanism provided for agricultural, rural, early childhood, bioscience, medical technology, economic development and athletic, recreational, and extra-curricular activities; and regulation provided for gaming activities at racetracks and increasing purses.

**HF3400-Mullery (DFL)**  
**State & Local Government**  
**Operations Reform, Technology**  
**& Elections**  
Governor's line-item veto authority eliminated and constitutional amendment proposed.

**HF3401-Gardner (DFL)**  
**Environment Policy & Oversight**  
Public water suppliers, counties, and municipalities required to charge the lowest residential water and sewer rates in manufactured home parks.

**HF3402-Mullery (DFL)**  
**State & Local Government**  
**Operations Reform, Technology**  
**& Elections**  
Governor's authority eliminated to line-item veto appropriations for certain capital purposes, bonds issued and constitutional amendment proposed.

**HF3403-Faust (DFL)**  
**Agriculture, Rural Economies**  
**& Veterans Affairs**  
"IRAQ WAR VET" and "AFGHAN WAR VET" license plates eligibility clarified.

**HF3404-Mariani (DFL)**  
**Finance**  
Aid payment schedule modified for certain charter schools.

**HF3405-Eken (DFL)**  
**Health Care & Human Services**  
**Policy & Oversight**  
Commissioner's state medical review team duties modified.

**HF3406-Scalze (DFL)**  
**Environment Policy & Oversight**  
Local government exceptions approval required to lower St. Croix River standards.

**HF3407-Slawik (DFL)**  
**Finance**  
Early childhood education provided.

**HF3408-Marquart (DFL)**  
**Taxes**  
Personal contact information of taxing authority not required to be included on tax notice.

**HF3409-Obermueller (DFL)**  
**Higher Education & Workforce**  
**Development Finance & Policy**  
**Division**  
Workforce Development Council duties and responsibilities clarified; unemployment insurance modified.

**HF3410-Kelly (R)**  
**Public Safety Policy & Oversight**  
County and regional jails authorized to house offenders from others states.

**HF3411-Kelly (R)**  
**Health Care & Human Services**  
**Policy & Oversight**  
Dental laboratories regulated.

**HF3412-Huntley (DFL)**  
**Health Care & Human Services**  
**Policy & Oversight**  
Medical Assistance coverage of medication therapy management services modified.

**HF3413-Gunther (R)**  
**Finance**  
Board of Barber Examiners' license fees modified.

## Flooding continued from page 17

"It sounds, as far as cost comparison, the retention projects would not be as expensive as the diversion," said Rep. Ken Eken (DFL-Twin Valley). The House Environment Policy and Oversight Committee chairman sponsors HF2433, which seeks nearly \$42 million for downstream projects in Hendrum, Perley and other small communities. The bill awaits action by the House Environment and Natural Resources Finance Division. Its companion, SF2233, sponsored by Sen. Keith Langseth (DFL-Glyndon), rests with the Senate Finance Committee.

Gov. Tim Pawlenty recommended \$50 million for flood hazard mitigation in his capital investment proposal. The House-approved bonding bill contained \$50 million while the Senate bill earmarked \$70 million. A conference committee called for \$63.5 million. 🗽

## Gambling continued from page 18

A companion, SF1644, sponsored by Sen. Dan Sparks (DFL-Austin), awaits action by the Senate State and Local Government Operations and Oversight Committee.

Two other gambling proposals, both offered by Rep. Phyllis Kahn (DFL-Mpls), would allow state-sanctioned gambling in new areas.

HF2354 would authorize the state lottery to install slot machines inside the terminals at the Minneapolis-St. Paul International Airport. The slot machines would only be accessible to travelers with a valid plane ticket. Kahn said the advantage is that new revenue could be generated for the state without competing with existing gambling facilities.

"Nobody is going to buy a ticket to go and gamble at a place that could probably be an inferior experience to gambling casinos," she said.

Meanwhile, HF2984 would legalize sports betting in Minnesota. The state would essentially license bookies and tax all bookmaking transactions. Kahn argued it would merely be legalizing what everyone already knows is taking place.

"I'm not going to say that everyone here has engaged in sports gambling, but I can say with great confidence that everybody in here knows somebody who has been engaged in sports gambling," she told the committee members.

One small problem: to allow sports betting, the state may have to challenge the constitutionality of federal law, which bans the practice.

Neither of Kahn's bills have a Senate companion. 🗽

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— S. HEGARTY

Sources: City of Moorhead, Department of Natural Resources, Minnesota Climatology Working Group, Minnesota Management & Budget, Red River Basin Commission

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# SESSION WEEKLY



A NONPARTISAN PUBLICATION

MINNESOTA HOUSE OF REPRESENTATIVES • PUBLIC INFORMATION SERVICES

VOLUME 27, NUMBER 6 • MARCH 12, 2010

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## SESSION WEEKLY

Session Weekly is a nonpartisan publication of Minnesota House of Representatives Public Information Services. During the 2009-2010 Legislative Session, each issue reports House action between Thursdays of each week, lists bill introductions and provides other information. No fee.

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

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



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**On the cover:** Tenzin Yangdol of Minneapolis holds an American flag as it flies along with Tibetan flags on the front steps of the Capitol March 10. The gathering commemorated the day 50 years ago when thousands of Tibetans rose up to protest against China's decade-long occupation of their homeland.

— Photo by: Tom Olmscheid

# Land wHOa!

Audit suggests DNR has more land than they can manage

By SUE HEGARTY

**I**f there was any doubt how much Minnesotans love their parks and open spaces, it should have been erased with passage of a 25-year tax increase known as the outdoor heritage fund.

In fact, one-sixth of Minnesota is state-owned natural resource land. The Department of Natural Resources is charged with managing 5.6 million acres but, according to a legislative audit, it is falling down on the job.

The Natural Resource Land report, released March 5 by the Office of the Legislative Auditor, shows that the DNR lacks the resources to manage its current land holdings, much less additional purchases.

The department plans to acquire significantly more land, including 3,000 acres for the proposed Lake Vermilion State Park, the purchase of which Gov. Tim Pawlenty negotiated with U.S. Steel. Yet the audit identified \$125 million in deferred maintenance of current state parks, trails and recreation facilities. There is another \$16.7 million backlog for state forest roadways, and scientific and natural areas.

"Sometimes we wonder, 'How much is enough?' How much non-human land do we need before we've done our part to protect Mother Earth, or is the earth here for us to use in several different ways — play on it, log it and farm it, mine it?" questions Rep. Mike Beard (R-Shakopee).

Vice-chairman of the Legislative Audit Commission, Beard said, "The mission has morphed. So we can hardly blame the DNR ... because I think we as legislators have given them conflicting missions. I can't read that report and throw rocks at the DNR. I think we have to hold up a mirror."

Going forward, the Legislature needs to require the DNR to prepare a long-range analysis that compares its budget needs to realistic funding levels, the audit stated. DNR

Commissioner Mark Holsten doesn't disagree and said he plans to implement many of the auditor's recommendations.

"We see it as being, quite frankly, a validation of all the things we've been talking about with

(legislators) over the last 46 years," Holsten said.

A bipartisan group of legislators requested the audit, which is being digested on both sides of the aisle.

"I think the auditor did an absolutely great service for the state," said Rep. Jean Wagenius (DFL-Mpls), chairwoman of the House Environment and Natural Resources Finance Division.

## The forest through the trees

The DNR manages land for three purposes: recreation, conservation and economic benefit.

State forests, particularly in the Arrowhead region, weigh heavily on the DNR's role to provide economic benefits. Forests comprise the majority of the state's holdings. Acquired nearly 200 years ago from the federal

First Reading continued on page 4

## State-owned lands

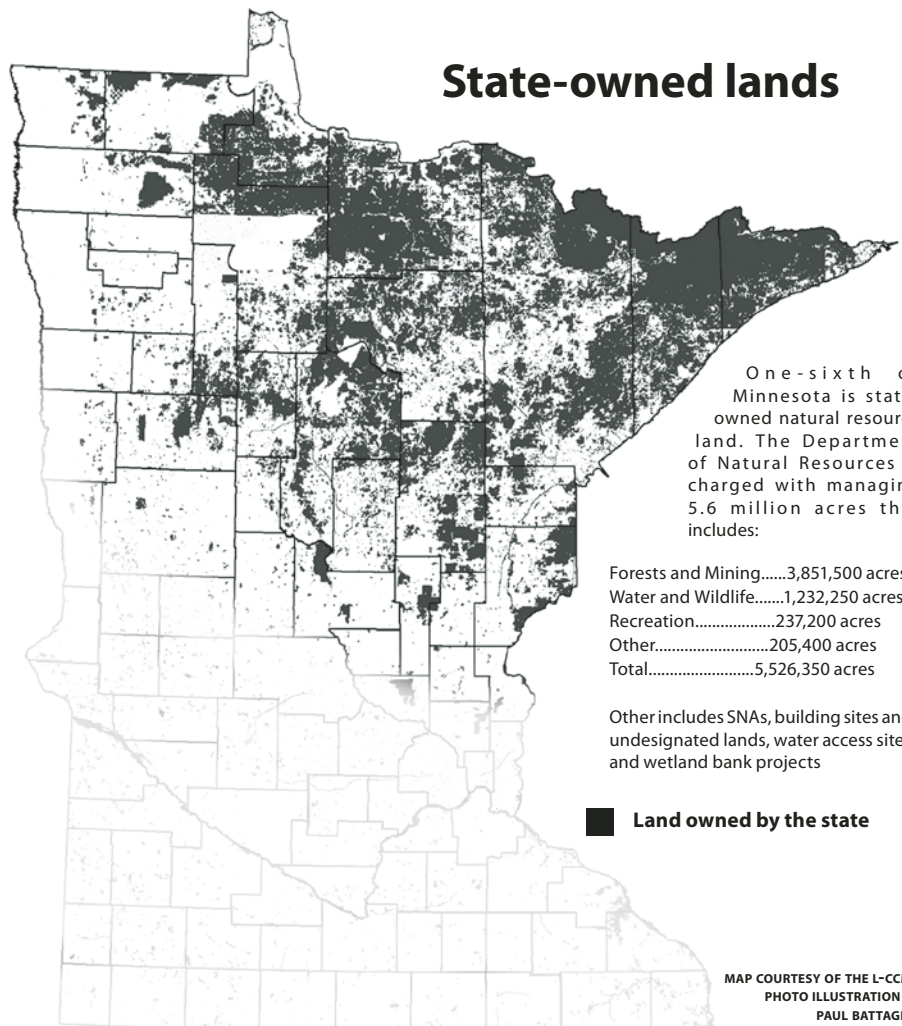




PHOTO BY TOM OLMSCHIED

From the Oberg Mountain Summit in Cook County, many public and private lands can be seen along the North Shore.

## First Reading continued from page 3

government, the land is held in trust with the understanding that it gets harvested, and the revenue gets deposited in a Permanent School Trust Fund. Proceeds supplement K-12 education funding, so it is in the state's best interest to maximize trust land results. But a checkerboard pattern of land holdings in northern Minnesota produces inefficient results, according to the audit. Problems are compounded by the potential for invasive species and a lack of DNR staff to work on tree care. Legislative Auditor Jim Nobles said the DNR's new forest land asset management plan will help guide future sales, purchases and exchanges.

When deciding which school trust fund properties to buy and sell, the DNR receives direction from the Permanent School Fund Advisory Committee. Rep. Denise Dittrich (DFL-Champlin) said 3,800 acres within the Boundary Waters Canoe Area Wilderness fail to generate revenue and the state is not meeting its financial obligations to the school trust fund. She sponsors HF3084, which would request negotiations with the U.S. Forest Service on the sale and exchange of school trust lands in the BWCA. The transaction could earn an estimated \$80 million for the fund, Dittrich said.

SF2494, a companion sponsored by Sen. Tom Saxhaug (DFL-Grand Rapids), awaits action by the Full Senate.

## County collaboration

The report also concludes that the DNR should conduct more prudent sales, acquisitions or exchanges with local governments. For example, the state could expand a land asset pilot project underway in Roseau County.

Last year, the county and the DNR examined their land holdings, said Roseau County Commissioner Jack Swanson. Each has identified 320 acres to potentially "exchange," mostly

in northwest Roseau County. The DNR would obtain county parcels located within state land holdings and the county would receive the title to 320 acres of state land that it could then sell and put back on the property tax rolls.

It's a win-win proposition, in theory, but the deal isn't done yet. There are still appraisals to do, but Swanson is hopeful the details

can be worked out.

"It's a prime example of how the state and counties need to work together to solve problems, not work separately," he said. Swanson's advice for other counties is to strengthen relationships with the regional DNR office staff. Although the pilot project has been "frustratingly slow," Swanson said

it's "one of the more refreshing things I've worked on."

Unlike private landowners, the state is not required to pay real estate taxes for land it owns within local government boundaries. Instead, counties have come to rely upon a state funding formula that gives counties a "payment in lieu of taxes," a practice called PILT payments.

For the first 20 years, PILT payments did not keep pace with inflation, so changes were made to the formula beginning in 2001. Since then, 90 percent of the counties have been paid substantially more than if the land were privately held, while the other 10 percent receive less, according to the audit.

"There is an opportunity for reform of PILT," said Rep. Rick Hansen (DFL-South St. Paul), a Legislative Audit Commission member.

## Conserve and protect

Easements allow the state to conserve and protect sensitive land without owning it. Typically, the landowner is paid a sum for relinquishing use of their land that falls within the easement. But the DNR is grappling with how to monitor them all and lacks baseline information for some of the 1,000 conservation easements it owns, according to the audit.

By comparison, the Board of Water and Soil Resources owns and manages 5,000 conservation easements. Legislators are looking at ways to streamline easement management within each or across both departments.

A copy of the auditor's report is available online at [www.auditor.leg.state.mn.us](http://www.auditor.leg.state.mn.us) 



***"I think the auditor did an absolutely great service for the state."***

— Rep. Jean Wagenius  
(DFL-Mpls)



***"Sometimes we wonder, how much is enough?"***

— Rep. Mike Beard  
(R-Shakopee)



**Editor's note:** The following Highlights are coverage of select bills heard in House committees and other House activities held March 4-11. 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.

## AGRICULTURE

### Cuts a prelude to future

The House Agriculture, Rural Economies and Veterans Affairs Finance Division approved \$6.9 million in supplemental budget reductions for the current biennium March 11.

Sponsored by Rep. Al Juhnke (DFL-Willmar), the division chairman, HF3438 would cut 7.9 percent from General Fund appropriations to the Department of Agriculture, Board of Animal Health and the Agriculture Utilization Research Institute, and defer ethanol producer payments. Veterans would receive a 0.2 percent increase for military funeral honor guard funding, homeless veterans' grants and veterans' homes.

The governor proposes \$5.8 million in agriculture cuts, with a 1.6 percent increase for veterans. The House veterans' percentage takes into account previous year's funding for programs and expected savings from veteran's homes, such as Medicare coverage for prescription drugs.

The bill would eliminate funding for invasive species programs, including gypsy moth and emerald ash borer. Juhnke said the Department of Agriculture should be responsible for prevention of species entering the state, and the Department of Natural Resources should be responsible for the eradication of species.

Agriculture is taking a large cut considering it is a small percentage of the state's overall budget, Juhnke said. "Remember the agriculture budget only accounts for about one-half of 1 percent of the state budget, yet I remind people every day we're about 20 percent of the state's gross national product. So they're getting a pretty darn good return on the money for the investment we make into agriculture... These cuts are minor compared to what's coming next year," he said.

Rep. Doug Magnus (R-Slayton) said he supports the bill's reductions, but can't support its approval without knowing what cuts are being suggested in other areas of the state budget. "I want to see all the cards on the

table. ... We know we've gotta have reductions here, but we know we gotta do what we can to protect the largest industry in the state, too."

The bill now goes to the House Finance Committee. There is no Senate companion.

— P. OSTBERG

## BONDING

### Verifying job creation numbers

Throughout this session's capital investment debate there have been questions about the number of jobs that would be created.

Rep. Sarah Anderson (R-Plymouth) sponsors HF2909, which would require

Minnesota Management & Budget to report each odd-numbered year on the number of jobs created or retained because of capital investment funding from the state.

"My goal is that we are more informed as legislators of what happens as a result of our actions," Anderson told the House Capital Investment Finance Division March 9. "My intent with this bill is not to add an extra burden to state agencies ... I view this as something they could include as a requirement from those vendors that we contract with. They'd have to provide that information on the front end."

Rep. Alice Hausman (DFL-St. Paul), the division chairwoman, said Anderson's bill is

## LOCAL SUPPORT

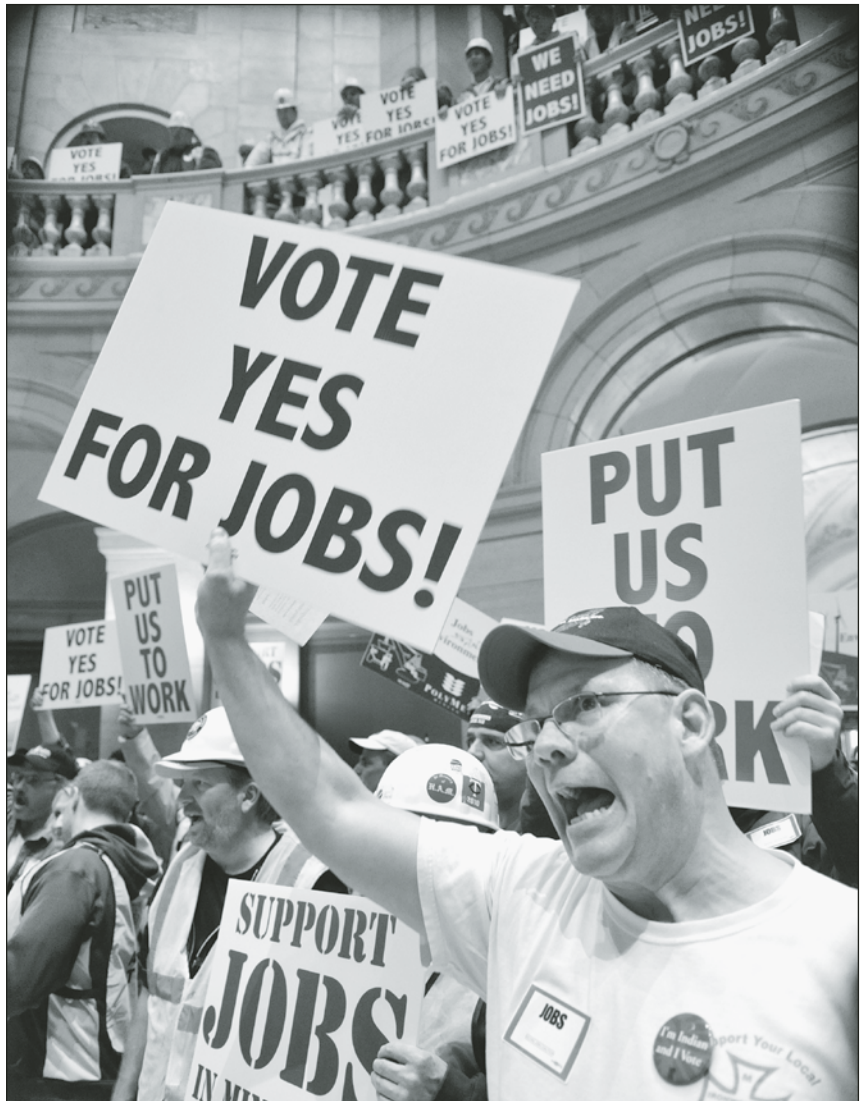


PHOTO BY TOM OLMSCHEID

**Terrance Roy, Jr., a member Ironworkers Union Local 512, chants "Jobs Now" during a March 10 rally of the Building Jobs Coalition in the Capitol Rotunda. One of the key components the coalition rallied for is the passage and enactment of a bonding bill.**

one of three heard by the division that could become part of a capital investment policy bill, should one be created.

Jeff Freeman, deputy director with the Public Facilities Authority, raised concerns with the plan, including that it can be “a very difficult task to come up with a process to generate reliable, consistent and meaningful jobs data when you’re looking at funding infrastructure projects.”

Rep. Tim Mahoney (DFL-St. Paul) gave an example of a public project where the contractor bid 1,500 hours to pull pipe down a mile-long tunnel. “By luck, the top was off the tunnel and they got to drop all the pipe in without dragging it. It took them about 150 hours vs. 1,500 hours,” he said.

A companion, SF2506, sponsored by Sen. Terri Bonoff (DFL-Minnetonka), was laid over March 10 by the Senate State Government Budget Division.

The other bills heard by the division were:

- HF2182, sponsored by Rep. Paul Gardner (DFL-Shoreview), which would require MMB to evaluate all capital project funding requests by developed criteria, and submit the evaluations with the commissioner’s capital budget requests to the Legislature; and
- HF3105, sponsored by Rep. Keith Downey (R-Edina), which would require each bond request to include a return on investment analysis, based on a format developed by MMB.

Neither has a Senate companion.

— M. Cook

### Going to the governor

The latest nearly billion-dollar bonding bill was approved 89-44 by the House and 49-17 by the Senate March 11, and now heads to the governor’s desk.

The revamped capital investment bill provides more money for the sex offender treatment facility in Moose Lake; but it also, in total, creeps closer to \$1 billion in general obligation bonds.

Gov. Tim Pawlenty wants \$89 million for the sex offender project; the bill calls for \$47.5 million. That is still an \$11.5 million increase from a March 4 working group offer.

The bill contains language for administration, corrections and human services commissioners to study the potential for using existing vacant or underused state facilities, including regional treatment centers, for the sex offender treatment program or for other programs or services administered by the Department of Human Services.

The bill also includes gubernatorial priorities of \$10.03 million for security upgrades at the Oak Park Heights State Prison and \$9.45 million

to expand the Minneapolis Veterans Home. It also lifts a price cap for a land purchase for a new Lake Vermilion State Park.

“The bill we’ve written still reflects the core priorities we began with, including a very strong commitment to higher education, to transportation, and to conservation and clean water infrastructure,” said Rep. Alice Hausman (DFL-St. Paul), who sponsors HF2700\*/SF2360 with Sen. Keith Langseth (DFL-Glyndon).

This bill price tag is \$999.66 million in general obligation bonding. The first conference committee report sought almost \$999.92 million. Before the House and Senate passed that bill Feb. 22, Pawlenty warned them he would veto the bill in its entirety.

While in Moorhead March 10, Pawlenty, who has repeatedly said he does not want a package larger than \$725 million, indicated that he would line-item veto this bill to a size he finds acceptable.

“While we don’t know the final outcome, we’ll be pleased,” said Rep. Larry Howes (R-Walker). “We’ve got a fine bill here.”

Hausman reiterated the urgency for this bill, noting lower construction costs, lower interest rates and the estimated 20,000 jobs to be created. “By getting projects in the pipeline now, we can take advantage of low interest rates and competitive bids, and get thousands of workers back on the job by this spring’s construction season.”

Opponents continued to question priorities, including passing this bill before fixing the budget shortfall.

### Deadline time at the House

This weeksaw a flurry of activity in the House, as committees rushed to meet deadlines for action on policy and some finance bills. Now the action will begin to shift, as lawmakers prepare to move forward with the first of what is expected to be three bills to balance the state budget.

On March 12, the House Finance Committee is scheduled to approve a supplemental budget bill that would solve about one-third of the state’s estimated \$994 million biennial budget shortfall. According to Chairman Rep. Lyndon Carlson, Sr. (DFL-Crystal), the bill will include mostly budget cuts for state agencies, along with a few fee increases. It is expected to be taken up by the House Ways and Means Committee next week, where it could be merged with a forthcoming package of tax aids and credits from the House Taxes Committee.

After that, Carlson said there will likely be two more supplemental budget bills that deal with funding for health and human services and K-12 education, respectively. He is not sure when those bills might reach the House floor.

“Things are just kind of coming together right now,” he said.

As for the dozens of policy bills that won committee approval this week, most of them will move to the House floor, where they will await action at various points throughout the remaining session.

— N. Busse

“This is about misplaced priorities,” said Rep. Dean Urdahl (R-Grove City).

— M. Cook



PHOTO BY TOM OLMSCHIED

House and Senate capital investment chairs, Rep. Alice Hausman and Sen. Keith Langseth confer during a March 4 meeting of the capital investment working group.



## Bill would ban directory scams

The next time you order flowers from your local florist or call a locksmith in your area, you might want to make sure they're actually local; otherwise, you could be paying for more than what you're getting.

A new kind of scam has emerged in which people operating businesses misrepresent their locations to make customers think they're local, when in fact they're located in another city or even out of state.

Customers who place an order are overcharged by the out-of-state entity and then have their order referred to a local business. The local company does all the work, and the person running the out-of-state business makes all the profit.

Rep. Steve Simon (DFL-St. Louis Park) argues it's a deceptive business practice, and sponsors a bill that would put a stop to it.

Simon sponsors HF3277 which would make it illegal for companies to misrepresent their locations in phone directories and/or on the Internet. The House Commerce and Labor Committee approved the bill March 9 and referred it to the House Civil Justice Committee.

Simon said such operations often take out advertisements in phone books or turn up in Internet search results with phone numbers that purport to be local, but in fact are routed to a call center somewhere else. Addresses given for such businesses often turn out to be for local post offices or other unrelated facilities.

Kym Erickson, president of the Minnesota State Florists Association, said the scam has become widespread and affected many florists in the state — including her. She related the story of a customer who paid \$98 for a \$42 order from her shop; the other \$56 went straight to the non-local company.

No one testified in opposition to the bill.

A companion, SF3102, sponsored by Sen. Sandy Pappas (DFL-St. Paul), awaits action on the Senate floor.

— N. BUSSE

## Payday lending restrictions

Payday loans are tightly regulated in Minnesota, but some companies have found a loophole that lets them bypass rules meant to protect consumers. Rep. Jim Davnie (DFL-Mpls) intends to close that loophole.

Payday loans are short-term, high-interest consumer loans similar to cash advances on credit cards. In 1995, the Legislature enacted a law meant to protect consumers from what critics say are exorbitant interest rates often

## WHOO'S THAT



PHOTO BY TOM OLMSCHIED

**Three-year-old Augie Sturrock of Marshall gets a close look at a spectacled owl held by Bird Show Supervisor David Cruz March 9 during the annual Minnesota Zoo Day in the Capitol Rotunda.**

connected to such loans.

"We set the white lines on the road and allowed businesses then to play within those lines," Davnie said.

Although most of the state's 28 licensed payday lenders operate within those lines, Davnie said three companies have found an "off-ramp." By operating as "industrial loan and thrift companies" — a different class of financial institution — they can charge much higher interest rates without technically breaking the law.

Davnie sponsors HF3170 that would close the loophole. The House Labor and Consumer Protection Division approved the bill March 5 and referred it to the House Commerce and Labor Committee.

Ron Elwood, a staff attorney with Legal Aid, said the three "loophole lenders" charge economically struggling Minnesotans roughly \$6 million a year in interest and fees beyond what is allowed under payday lending statutes.

"These are the most financially vulnerable folks," Elwood said. "So that's \$6 million that should have been in those families' pockets all along."

He added that none of the state's 16 other licensed industrial loan and thrift companies engage in payday lending.

Lobbyists representing the payday lending industry testified in opposition to the bill, arguing it would reduce consumer choice. Paul Cassidy, representing Payday America, called the bill "a solution looking for a

problem," and suggested it would merely push consumers to seek out similar loans in other states or on the Internet.

"We've made a business decision to offer our customers flexibility and choice in the products that they can access when they're in need," Cassidy said.

A companion, SF2837, sponsored by Sen. Kevin Dahle (DFL-Northfield), awaits action by the Senate Commerce and Consumer Protection Committee.

— N. BUSSE

## Brewing in basements

Beverage producers would be able to make their products in basements, under a bill approved 133-0 by the House March 8.

Sponsored by Rep. Mindy Greiling (DFL-Roseville), HF2918 would allow the Department of Agriculture to issue permits to businesses producing certain types of beverages in basements or other subgrade areas.

Greiling said basements are currently automatically ruled out due to the "olden days" when basements were wet and had mildew problems. The department would like to look at basements on a case-by-case basis now, she said.

Seth Couenhoven, director of operations for Thuro Bread, previously told a House committee that he wants to rent the basement of a building he owns to a company to make fermented tea, but is unable to do so under current law. The basement is updated and



approved for commercial packaging, but also needs to be approved for the bottling process, he said.

The bill now goes to the Senate where Sen. John Marty (DFL-Roseville) is the sponsor.

Rep. Mark Buesgens (R-Jordan) unsuccessfully offered an amendment that would have required the agriculture commissioner to evaluate any health concerns about products requested by the beverage permit.

— P. OSTBERG

### No blocking consumer choice

Renters would be guaranteed the right to purchase telephone, cable or Internet services from a provider of their own choosing, under a bill that won division approval March 5.

HF3097 would prevent landlords from forbidding or discriminating against tenants for choosing one telecommunications provider over another. Sponsored by Rep. Al Juhnke (DFL-Willmar), it was approved by the House Telecommunications Regulation and Infrastructure Division.

Juhnke said landlords sometimes try to strike deals with telecommunications companies and give renters exclusive rates or charge higher rent for tenants that opt for a different provider.

“If you want a different cable provider or a different phone provider ... you certainly should be allowed to do that and not be fenced out by an apartment owner who maybe cut a side deal to make some money with a single provider,” Juhnke said.

Cathy Clucas, representing the Minnesota Telecom Alliance, said a statute that offered similar protections for renters expired in 2004. She said the bill’s language is crafted to be identical to the old statute, except that it would offer protections to cable and Internet subscribers as well as telephone users. The old law applied only to phone customers.

The bill now goes to the House Commerce and Labor Committee. A companion, SF2616, sponsored by Sen. Kathy Sheran (DFL-Mankato), awaits action by the full Senate.

— N. BUSSE

## CRIME

### Doubling sex offender sentences

Carly Skarsten was sexually assaulted by a neighbor when she was between 5 and 7 years old.

Before Carly turned 10, the perpetrator was out of prison.

He was convicted of first-degree criminal sexual conduct; a plea bargain got him a four-year sentence, but he was out in two-

and-a-half years for good behavior.

Sponsored by Rep. Debra Hilstrom (DFL-Brooklyn Center), HF3081 is the governor’s initiative to increase the presumptive sentence for those convicted of first-degree sex crimes to 25 years.

Approved March 4 by the House Public Safety Policy and Oversight Committee, it was sent to the House Finance Committee with a recommended re-referral to the House Public Safety Finance Division. A companion, SF2736, sponsored by Sen. Linda Scheid (DFL-Brooklyn Park), was tabled Feb. 23 by the Senate Judiciary Committee.

Harry Kennedy, the state sex offender policy coordinator, said current law calls for a 12-year sentence, eight of which are served in a Corrections Department facility. The remaining four years are on supervised community release.

Gov. Tim Pawlenty said the change would save the state money long-term. “Offenders who would’ve been civilly committed in the more expensive Minnesota Sex Offender Program would be kept in prison longer than under current law,” he said in a Feb. 9 press release. “Prison costs are currently \$63 per day while civil commitment costs are \$325 per day.”

As offenders reach the end of their imprisonment, the county attorney in the county of commitment can pursue civil commitment through a court if they feel the offender remains a sexually dangerous person.

Gerald Kaplan, a licensed psychologist with 35 years of experience assessing and treating criminal sex offenders, said there might be a better way to deal with such offenders.

He recommends that sentenced offenders could be released once they’ve served their guideline sentence, if they are deemed safe for society by something similar to a parole board.

Rep. Michael Paymar (DFL-St. Paul) has no problem with longer sentences, but agrees other options need to be looked at than expensive civil commitment.

— M. COOK

## DEVELOPMENT

### Keeping businesses in Minnesota

When Joseph Ward decided it was time for his Maplewood-based company to expand, the co-owner of RJA Dispersions, LLC said he wanted to stay in Minnesota. In the end, however, the State of Wisconsin offered him incentives that were simply too good to pass up.

“We heard there were some good programs in Wisconsin. They have a business development

person over there. ... The hospitality he offered was wonderful,” Ward said.

Government officials across the border offered Ward’s company options like tax increment financing to purchase land, and access to regional loan funds to help pay for new facilities. Ward said the company finally settled on moving to Hudson, Wis.

Stopping the migration of companies like Ward’s to other states is the goal of a bill that won approval from a House division March 9.

Sponsored by Rep. Sandra Masin (DFL-Eagan), HF3216 would ask the Department of Employment and Economic Development to develop a plan to identify businesses that are at risk of relocating or expanding outside of Minnesota, and define strategies to retain them.

In addition, the bill would establish a team within DEED to work directly with businesses that are considering moving. The “fast-action economic response team” would be required to contact businesses within 24 hours of learning that they’re considering leaving Minnesota.

“We need to be doing something to be more competitive,” Masin said.

Mark Lofthus, DEED business and community development director, said his agency already works with the Minnesota Chamber of Commerce to try to retain businesses in the state; however, he noted that Wisconsin offers some financial incentive programs that Minnesota doesn’t.

The House Bioscience and Workforce Development Policy and Oversight Division approved the bill and referred it to the House Higher Education and Workforce Development Finance and Policy Division.

A companion, SF2751, sponsored by Sen. Kathy Saltzman (DFL-Woodbury), awaits action by the Senate Economic Development and Housing Budget Division.

— N. BUSSE

## EDUCATION

### Early learning system proposed

The House Early Childhood Finance and Policy Division approved a bill March 9 that contains the Education Department’s policy recommendations, including a provision to establish a statewide early learning and care system. A key goal would be to “prepare all children for kindergarten.”

Rep. Nora Slawik (DFL-Maplewood), who sponsors HF3407, noted that the statutory goal of preparing all children for school by 2020 is supported by the governor’s early childhood advisory council.

The statewide system would organize components of existing programs delivered by public and private child care, preschool, school-based programs and Head Start into a coherent structure. Components include curriculum, instructional practice, child and program assessments, family supports, professional development, engagement and outreach, accountability, financing and governance.

"It seems really big and really all-encompassing to me," said Rep. Keith Downey (R-Edina). "Would any child care provider be able to exist outside the system, and would I, as a parent, be able to keep my kids outside the system?"

Slawik, the division chairwoman, said most children in the state are, in fact, cared for outside the purview of any state oversight. Children not at home with their parents are often cared for in "family, friend and neighbor" care arrangements, which are informal, unlicensed care arrangements provided, for example, by grandparents or other relatives.

"There are a bunch of kids who are totally off the radar screen," she said. "I'd like to see us doing some kind of supports to those families and those kids and talk about quality, but right now the state is not involved at all."

Other proposed changes include provisions for charter schools to conduct early childhood health and development screening, as do district schools, and a requirement that schools use school readiness aid for eligible children. It would allow school districts to accept non-income eligible children into the program but on a fee-for-service basis.

The division laid the bill over for possible inclusion in its omnibus bill. It has no Senate companion.

— K. BERGGREN

### Pre-Labor Day school start possible

The House K-12 Education Policy and Oversight Committee approved a mandate reduction bill March 9 that includes an amendment to allow schools to begin before Labor Day.

Rep. John Benson (DFL-Minnetonka) sponsors HF3478, which would give school districts some relief from state directives in a few areas. Those include reducing instructional days for some districts to 2008-2009 levels; allowing choices about whether to publish notices of certain public hearings online or in print; and allowing districts to transfer unused staff development revenue to their undesignated general fund balance.

The approval came after the committee adopted two amendments offered by Rep. Kim Norton (DFL-Rochester): one to allow schools to begin before Labor Day, and

another, successfully modified by Rep. Mike Obermueller (DFL-Eagan), to give schools more flexibility over spending the \$3 per pupil set-aside from the \$30 per pupil safe schools levy. The set-aside is designated to maintain school support services, such as counselors and school nurses at prior year levels.

Norton said one small school district in her legislative district was forced to lay off a teacher instead of a school counselor because of mandatory maintenance of effort requirements. She said the superintendent would have preferred to take the decision to the school board.

The committee did not adopt an amendment offered by Rep. Sandra Peterson (DFL-New Hope), which would have kept the requirement that some public hearing notices be published in a newspaper. They include notices of proposals to establish a district or an inter-district cooperative agreement, close a schoolhouse or impose a new student fee.

"I think school boards are very aware of the importance of various media in their districts," said Rep. Kathy Brynaert (DFL-Mankato). "I think giving control to the local district is the right way to go on these issues."

The bill now goes to the House K-12 Education Finance Division. It has no Senate companion.

— K. BERGGREN

### Sex ed bill goes to House floor

The House K-12 Education Policy and Oversight Committee revisited the hot topic of sex education in schools March 9.

Rep. Frank Hornstein (DFL-Mpls) sponsors

HF2986, which would require school districts to offer a responsible family life and sexuality education program for students in grades six through 12.

Schools' curriculum would encourage abstinence and include age-appropriate, medically accurate information about contraception and disease prevention. Districts could independently choose a curriculum and establish teaching policies, in consultation with parents or guardians of enrolled students. The bill goes to the House floor after the committee approved it 12-8.

Dr. Michael Resnick, a professor of pediatrics and public health at the University of Minnesota, said that a recent survey of 1,600 Minnesota parents found that most favored sex education featuring both abstinence encouragement and medically accurate information about birth control and preventing sexually transmitted disease. About 10 percent favored an abstinence-only program, while less than 1 percent did not want any sex education in schools.

Terri Cheung, the mother of a Chaska High School junior, spoke against the bill. She said her daughter's class, taught by instructors from a clinic outside the school, was promoted as comprehensive but was heavily weighted toward promoting contraceptive use over delaying or avoiding sexual activity.

Cheung said the school wouldn't make the curriculum available to her despite her requests, and that it featured a contest in which students were blindfolded to see who could put a condom on a wooden model faster.

Rep. Carol McFarlane (R-White Bear Lake) said she does believe "in having



PHOTO BY TOM OLMSCHIED

Robin Edmunds, left, and Terri Cheung testify against allowing for a family life and sexuality education program during a March 9 meeting of the House K-12 Education Policy and Oversight Committee.

healthy decision-making so our kids have the facts,” but was “disturbed” by what Cheung described.

“I almost feel like that’s bullying to our children,” said McFarlane, “and we’ve had that discussion here.”

“The problem isn’t the bill; the problem is the individual program your school has got,” said Rep. Tim Faust (DFL-Mora) noting the bill would require parental involvement in choosing a curriculum.

Sen. Sandy Pappas (DFL-St. Paul) sponsors a companion, SF2645. It awaits action by the Senate Education Committee.

— K. BERGGREN

## ELECTIONS

### Future of judicial elections

How judges retain their seats on the bench could change, but it would first require an amendment to the state constitution.

Sponsored by Rep. Steve Simon (DFL-St. Louis Park), HF224 if approved by voters, the state constitution would have judges initially be appointed by the governor, and upon completion of their first term in office be subject to a vote by electors. If a majority of voters vote “yes,” the judge would be retained for an eight-year term; a “no” majority would force the governor to appoint another individual.

The bill was approved by the House State and Local Government Operations Reform and Elections Committee. It stems from a U.S. Supreme Court decision in *Republican Party of Minnesota v. White* that Simon says essentially allows judges to directly raise money for campaigns, receive political endorsements and announce their positions on disputed legal issues before they come before the court.

It results in “very high-dollar, ideologically driven and, most importantly, outcome-based campaigns for a judge, and I don’t think we can have that in a democracy,” Simon said.

Minnesota Chief Justice Eric Magnuson supports the bill. “When you have a system that leads the public to believe that campaign contributions influence outcomes you are damaging the judicial system immeasurably,” he said.

The change to the law carries costs. There have been, and will probably be, more cuts to the court systems, and these types of elections are not occurring in Minnesota right now, said Rep. Gene Pelowski, Jr. (DFL-Winona), the committee chairman.

“The cost of not doing it is absolutely monumental to the citizens ... the fact that money is tight doesn’t mean that you stop addressing issues,” Magnuson responded.

Susan Miles, president of the Minnesota District Judges Association, said the organization can’t support the bill. First, it doesn’t provide a trigger mechanism that would inform judges in sufficient time whether a person has mounted an opposing campaign, nor does it require a merit selection system for all judges and courts which the governor would use in selecting a new judge, she said.

The bill now goes to the House Civil Justice Committee.

A companion, SF70, sponsored by Sen. Ann Rest (DFL-New Hope), awaits action by the Senate Finance Committee.

— P. OSTBERG

## EMPLOYMENT

### Mandatory work breaks proposed

Minnesota law requires that workers be given breaks during the workday, but some say a lack of specificity in the law is leading employers to ignore it.

Bernie Hesse, director of special projects and politics for United Food and Commercial Workers Local 789, said at some meatpacking plants in the state workers aren’t allowed to take time to relieve themselves. He said the situation was so dramatic in one plant that the employer actually locked the restroom doors.

“It’s not uncommon in some of these plants for workers to void in the trough because they can’t get off the line,” Hesse said.

Rep. Tom Rukavina (DFL-Virginia) sponsors HF2810 that would specify that all workers must be given at least a 15-minute break for each four consecutive hours of work, plus a 30-minute lunch break for employees who work at least eight consecutive hours.

The House Higher Education and Workforce Development Finance and Policy Division approved the bill March 9 and sent it to the House floor.

Currently, state law specifies that workers must be given “adequate time” for a break for each four consecutive hours worked and “sufficient time to eat a meal” when working eight or more consecutive hours. Rukavina said some employers are simply ignoring the “adequate” and “sufficient” requirements.

“I just don’t want to give any leeway anymore, because it’s the leeway in the current law that’s causing the problem,” he said.

Some members questioned whether the proposed break time requirements might be too long. Rep. Rob Eastlund (R-Isanti) said if the goal is merely to ensure that employees have sufficient time to use the restrooms, a 15-minute break requirement might be excessive.

“That’s a long period of time. I don’t think you need that long to relieve yourself,” he said.

Moreover, Eastlund argued the law as it’s currently written should be sufficient to make employers give their employees time to use the bathroom and eat lunch.

A companion, SF2408, sponsored by Sen. David Tomassoni (DFL-Chisholm), awaits action by the Senate Business, Industry and Jobs Committee.

— N. BUSSE

### Maintaining unemployment benefits

When a person receiving unemployment insurance benefits goes back to work only to get laid off again, they sometimes see their benefit levels drop significantly after they go back on unemployment.

Sponsored by Rep. Mike Obermueller (DFL-Eagan), HF3274 would provide workers who return to the state’s unemployment rolls after being temporarily employed a guaranteed similar level of benefits as what they previously had.

The House Higher Education and Workforce Development Finance and Policy Division approved the bill March 4 and referred it to the House Finance Committee. Sen. Jim Carlson (DFL-Eagan) sponsors a companion, SF3123, which awaits action by the Senate Business, Industry and Jobs Committee.

Because of the way unemployment benefits are calculated, people who return to work long enough to earn new wage credits are often forced to establish a new unemployment insurance benefit account that pays significantly less than what they were getting before.

“People are going from \$400 or \$500 in benefits down to \$30 or \$40 dollars in benefits,” Obermueller said.

The bill would “front-load” the new benefit accounts so that recipients get at least 80 percent of their old benefit level. To accomplish this, it would accelerate payments from the new account, meaning that a recipient would receive larger payments but would exhaust their total benefits in a shorter span of time.

“You don’t get any additional dollars this way, but you do get them earlier in the process,” Obermueller said.

Once the benefits from their new account are exhausted, Obermueller said a recipient could go back on their old benefit account, which may give them access to federal or state unemployment extensions as well.

If enacted, the bill’s provisions would expire on June 30, 2011. Obermueller said the bill is only meant to be a temporary measure.

Lee Nelson, director of legal affairs for the Department of Employment and Economic Development, said DEED worked with



Obermueller on the bill's language and supports the legislation.

Rep. Sarah Anderson (R-Plymouth), the division's Republican lead on workforce issues, called the bill "a great idea."

— N. BUSSE

## ENERGY

### Current project funding untouched

The House Energy Finance and Policy Division's biennial budget contributes \$49.7 million toward reducing the anticipated \$994 million state deficit, as proposed in HF1741.

Division Chairman Rep. Bill Hilty (DFL-Finlayson) said he took care not to cut funding to projects where work has already been completed and money is owed. However, grantees and funding recipients should expect to receive notices that some of their expected funding will be unencumbered, such as the E-85 cost-share grants, solar rebates and Clean Energy Resource Teams.

Several transfers to the General Fund are intended to help balance the state budget, including portions from the petroleum tank release cleanup fund, the special revenue fund and \$15 million from the worker's compensation assigned risk plan reserve.

The bill was referred to the House Finance Committee. The Senate energy supplemental budget bill was addressed by the Senate Finance Committee March 8.

— S. HEGARTY

## ENVIRONMENT

### DNR policy bill moves forward

From beaver dams to collector snowmobiles, the Department of Natural Resources' omnibus policy bill seeks dozens of modifications to current laws.

Sponsored by Rep. Kent Eken (DFL-Twin Valley), HF3094 was approved by the House Environment Policy and Oversight Committee March 4. It awaits action by the House Environment and Natural Resources Finance Division.

Its provisions include:

- enabling the DNR to bill other government units, including tribal governments, for support services and equipment costs;
- establishing a \$6 one-time fee to register all-terrain vehicles and snowmobiles that are at least 25 years old;
- moving natural resource receipts going to the General Fund to a state parks working capital account;
- prohibiting leases or permits for the removal

of sunken logs due to the negative environmental impacts; and

- removing language that encourages horseback riders to ride off-trail to avoid paying for a trail pass.

A provision that would have required private landowners to pay for altering or removing beaver dams that cause flooding or problems on neighboring properties was deleted by an amendment offered by Rep. Al Juhnke (DFL-Willmar). "I'm not sure that's equitable," he said.

The bill would also authorize the DNR to pay up to \$18 million to acquire land for a proposed Lake Vermilion State Park.

A companion, SF2916, sponsored by Sen. Satveer Chaudhary (DFL-Fridley), awaits action by the Senate Finance Committee.

— S. HEGARTY

### DNR lands bill clears hurdles

Typically each year, the Department of Natural Resources decides that it no longer needs some of its land holdings and needs legislative authority to sell them. Parcels offered for sale to the DNR may be required to have legislative authority for the purchase.

HF3051, sponsored by Rep. David Dill (DFL-Crane Lake), comprises the DNR lands bill; its passage would authorize the sale and purchase of varying sizes of property in multiple counties.

The House Environment Policy and Oversight Committee approved the bill March 9 and referred it to the House Environment and Natural Resources Finance Division.

A provision that would allow the DNR to sell land for less than its appraised value drew criticism. Rep. Steve Drazkowski (R-Wabasha) suggested the DNR hold out for a while longer until the economy improves.

Dill said the provision to sell below appraised value was included because it would apply to land that did not sell at its appraised value and needs to be liquidated. About a year remains on the statutory deadline for the sale of unsold parcels.

Sen. Dan Skogen (DFL-Hewitt) sponsors a companion, SF2864, which awaits action by the Senate Environment and Natural Resources Committee.

— S. HEGARTY

### Speedier review process proposed

Environmental review permits can take months or even years to complete, depending upon how contentious they become. Some developers may even walk away from a project if the process takes too long.

Sponsored by Rep. Melissa Hortman (DFL-Brooklyn Park), HF3079 would set a goal for the Department of Agriculture, Department

of Natural Resources and Pollution Control Agency to issue or deny environmental and resource management permits within 150 days after an application is made. The average length of time for a completed environmental review is 228 days, but that includes the Department of Transportation, which is not included in the bill.

There would be no penalty if a review took longer.

Hortman told the House Environment Policy and Oversight Committee March 4 that speeding up the process would "increase faith in the system."

Rep. Andrew Falk (DFL-Murdock) unsuccessfully tried to delete a provision that would allow contested environmental assessment worksheets and environmental impact statements to bypass district court and be referred to the Court of Appeals.

The committee approved the bill, which awaits action by the House Environment and Natural Resources Finance Division.

Sen. Linda Scheid (DFL-Brooklyn Park) sponsors the companion, SF2761, which awaits action by the Senate Environment and Natural Resources Committee.

— S. HEGARTY

## FAMILY

### After-death care changes approved

Heather Halen calls living without her husband the most difficult thing she's ever had to do.

Yet the Minneapolis woman is thankful for the way she was able to say goodbye. In the days after her husband's death, Halen kept his body at their home and invited loved ones to visit before transporting the body to the cemetery in a pine casket built by friends.

"Gary, in his life, embodied the very meaning of the word simplicity," Halen said, "and each step of this process, I felt, was so in keeping with his values and the way he had lived his life."

Halen is among the growing number of people looking for after-death processes that are interactive and natural, said Rep. Carolyn Laine (DFL-Columbia Heights). She sponsors HF3151, which clarifies the rights of next-of-kin to control a dead body, not just the disposition of remains. The bill would allow those listed in Minnesota's next-of-kin hierarchy to obtain permission to remove a body from the place of death. It would also modify rules for how bodies may be transported and prepared for public viewing.

It was approved by the House Health Care and Human Services Policy and Oversight Committee March 9 and sent to the House



PHOTO BY ANDREW VONBANK

**Heather Halen, Minneapolis, testifies before the House Health Care and Human Services Policy and Oversight Committee March 9 in support of a bill that would modify provisions regarding viewing, transporting and removal of a dead human body.**

floor. A companion, SF2903, sponsored by Sen. Sandy Pappas (DFL-St. Paul), awaits action by the Senate Health, Housing and Family Security Committee.

Contrary to prevalent misinformation, a dead body does not represent a health risk to those around it, said Dr. Michael Osterholm, director of the Center for Infectious Disease Research and Policy at the University of Minnesota.

"Generally speaking, across the board, there is no risk at all of a dead body, regardless of the cause of death, actually transmitting an infectious agent to someone after the time they die," he said. Exceptions may occur when the body cavity is open during an autopsy.

Laine said her bill is intended to give families more choices, not to impede on the procedures of funeral homes or hospitals. Officials with the Department of Health and Minnesota Funeral Directors Association have had a hand in shaping the legislation.

— L. RADOMSKI

If you have Internet access, visit the Legislature's Web page at: [www.leg.mn](http://www.leg.mn)

## GAME & FISH

### Stricter public water exit regulations

Just two months shy of the fishing opener, anglers may want to take note of a bill that would require more stringent rules when exiting public waters.

Sponsored by Rep. Karla Bigham (DFL-Cottage Grove), HF3355 would require people leaving public waters to drain bait buckets and all boating-related equipment that contain water, except marine toilets, before driving away. This means drain plugs, bailers, valves and other devices used to drain water from ballast tanks, bilges and livewells.

The measures are needed to help prevent the transport of invasive species, Bigham said.

The fine for failing to drain water from watercraft or equipment before driving away would increase from \$50 to \$250. Those who want to keep leftover bait minnows to use elsewhere had better bring clean, fresh water along to replace the water in their buckets, advised Bigham.

The House Environment Policy and Oversight Committee approved the bill March 9 and referred it to the House Civil Justice Committee. Sen. Julie Rosen (R-Fairmont) sponsors its companion, SF3140, which rests with the Senate Environment and Natural Resources Committee.

— S. HEGARTY

### Access moratorium in omnibus bill

An omnibus game and fish bill approved March 9 by the House Environment Policy and Oversight Committee includes a five-year moratorium on building public accesses along water bodies.

Sponsored by Rep. David Dill (DFL-Crane Lake), HF3124 was sent to the House State and Local Government Operations Reform, Technology and Elections Committee.

Dill said about 10 projects would be stalled during the moratorium. The measure is needed, he said, to prevent the spread of invasive species, a major concern of shoreland residents, anglers and tourism representatives.

The bill would allow anglers to fish in open water with two lines if they purchase a \$10 endorsement stamp. Penalties for baiting deer during hunting season, a problem reported by conservation officers, would increase to include immediate license seizure. Other provisions would affect bear and coyote hunting, and the incidental trapping of muskrat and otter during beaver season.

The bill represents 42 sections of new or modified game and fish regulations. It was amended to include changes to:

- the manner in which bear hunting licenses are issued;
- specifications for quartering deer at the kill site; and
- who qualifies for turkey licenses issued under separate selection.

A companion, SF2900, sponsored by Sen. Satveer Chaudhary (DFL-Fridley), awaits action by the Senate State and Local Government Operations and Oversight Committee.

— S. HEGARTY

## HEALTH

### GAMC compromise reached

The bill detailing a compromise on General Assistance Medical Care has received committee approval and could be on the House floor as soon as next week.

HF802 reflects an agreement by Gov. Tim Pawlenty and legislative leaders on how to provide basic health care services for more than 70,000 low-income adults, many of whom have chronic mental health problems. An earlier bill passed by the House and Senate was vetoed by the governor, who proposed auto-enrolling current GAMC participants into MinnesotaCare.

Sponsored by Rep. Erin Murphy (DFL-St. Paul), the compromise bill would preserve GAMC in its current form until June 1, at which time the program would operate through a "coordinated care delivery system" of 17 major hospitals partnering to serve the GAMC population. Hospitals with fewer GAMC patients would receive funding for six months as they decide whether or not to form similar systems.

The program is estimated at \$164 million for the current biennium, about \$117 million less than the original proposal.

Speaking to the House Health Care and Human Services Finance Division March 11, Murphy called the program "significantly underfunded." The compromise bill is better than no solution at all, she said, but state officials and providers will need to carefully monitor whether GAMC enrollees receive the care they need. Murphy, who has worked on a GAMC solution since last summer, was emotional as she described what the legislation means for those "living in the shadows."

"We have affirmed that they have a place in Minnesota and that we're not going to abandon them," she said.

Officials representing hospitals and clinics thanked legislators for their work, but reiterated that the proposal is far from perfect.

Murphy's bill was approved and sent to the





PHOTO BY TOM OLMSCHIED

**Rep. Erin Murphy, right, listens as Sen. Linda Berglin explains a new proposal during an informational GAMC hearing March 4.**

House Finance Committee. A companion, SF460, sponsored by Sen. Linda Berglin (DFL-Mpls), awaits action by the Senate Finance Committee.

—L. RADOMSKI

### Expansion of dental benefits

Minnesotans who receive dental coverage through Medical Assistance would see some lost benefits restored, under a bill receiving committee approval March 4.

Rep. Julie Bunn (DFL-Lake Elmo) sponsors HF3269, which would restore some of the Medical Assistance dental benefits eliminated by the Legislature last year. The bill would expand coverage to include certain procedures like root canals and denture repairs; it would also reduce the time patients must wait between full-mouth x-rays.

"The entire (dental) community is very concerned about the cuts from last year being too deep," Michael Scandrett, staff director of the Minnesota Safety Net Coalition, told the House Health Care and Human Services Policy and Oversight Committee. "... Some of those cuts probably went further than they should have and we've had a lot of problems since then."

Bunn's bill would also have implications for the state's critical access dental program, which provides payments to practices serving a high volume of low-income patients. As part of his supplemental budget, Gov. Tim Pawlenty proposes to reduce the number of dental practices that qualify for state

payments. Bunn amended her bill to ensure that practices where at least 40 percent of patients are uninsured or on public assistance programs continue to receive funding. Under the amendment, dental programs associated with the University of Minnesota and the Minnesota State Colleges and Universities system would also receive continued payments.

Patrick Lloyd, dean of the University of Minnesota School of Dentistry, said about 32 percent of the 105,000 patients served at the Twin Cities campus last year were on a public health program.

Bunn's bill was approved as amended and is scheduled to be heard by the House Health Care and Human Services Finance Division March 18. It does not have a Senate companion.

—L. RADOMSKI

### Home aides ethics standards set

As a parent of two boys with special needs, Beth Bower relies on 24-hour assistance from home health aides.

While Bower and her husband have had positive experiences with many aides, the couple made a startling discovery in October 2008: an aide working the night shift had repeatedly failed to feed the two boys, both of whom use slow-drip feeding tubes. The elder son, who was recovering from surgery, may have gone up to four months without nightly feedings.

"I believe if we hadn't have figured it out, he would have died," Bower told the House Licensing Division March 4.

Bower's experience prompted HF3070, which would require home health aides to complete coursework on ethical practice prior to employment. Aides would also need to meet continuing education standards, and providers would be required to establish policies for drug and alcohol testing.

The division took no action on the bill, which does not have a Senate companion.

Rep. Kory Kath (DFL-Owatonna), who sponsors the bill, sees the legislation as a preventative measure that could deter the kind of maltreatment reported by the Bowers.

"This bill is a starting point," he said. "It's a recognition that we do need to do something with home health aides, how it is that they are promoted throughout the state and specifically, how they are trained."

The Minnesota HomeCare Association supports the concept, but has some concerns with how the bill is drafted, said Kevin Goodno, the group's government relations director. He pledged to work with policymakers and other stakeholders as the proposed legislation is refined.

Kath's bill complements ongoing work by the

Department of Health to streamline licensing for home health aides and ensure the quality of consumer care, said Susan Winkelmann, assistant division director for the Compliance Monitoring Division. The department is also looking at ways to close enforcement gaps and shorten the response time to complaints, she said. The aide terminated by the Bowers worked for another family during the several months leading up to her license revocation.

—L. RADOMSKI

### Record sharing rules approved

Legislation passed as part of the American Recovery and Reinvestment Act of 2009 calls on states to monitor health information exchanges — for example, the sharing of a patient's electronic medical record among doctors at different hospitals and clinics. Minnesota health care providers stand to receive upwards of \$400 million in Medicare and Medicaid incentives if the state can show it has a system for regulating the companies that facilitate these exchanges.

In response, Rep. Thomas Huntley (DFL-Duluth) sponsors HF3279, which would create a state board to oversee companies that conduct health information exchanges. The companies would be required to obtain a state certificate of authority and follow nationally recognized standards, including maintaining patient privacy and security.

"It's designed to ensure that we have one comprehensive system for exchanging information across delivery settings and across providers," Huntley told the House Health Care and Human Services Policy and Oversight Committee March 4.

The bill was approved and sent to the House Civil Justice Committee, which gave its approval March 8. It now goes to the House State and Local Government Operations Reform, Technology and Elections Committee. A companion, SF2974, sponsored by Sen. Tony Lourey (DFL-Kerrick), awaits action by the Senate Judiciary Committee.

Opponents cite violations of individual rights and patient safety as reasons why electronic medical records shouldn't have been allowed in the first place. Making records easier to share would only make things worse, they say.

"If it's put into law, it will further destroy and interfere with the doctor-patient relationship," said Dr. Karen Effrem, a board member with the Alliance for Human Research Protection. She believes patients will not be as forthcoming about potentially embarrassing health conditions if they're unsure who could learn about them.

"Our privacy laws are stricter in this state than in practically any other," Huntley said,



"and we already have things in law that people can refuse to have their records sent any place. ... That does not change by this bill."

— L. RADOMSKI

### **Tattoo regulation approved**

A collaborative effort among lawmakers, state officials and tattoo artists could help keep Minnesota blood banks full.

Rep. Julie Bunn (DFL-Lake Elmo) sponsors HF677, which would license individuals and establishments offering tattoos and body piercings. The bill was requested by local blood banks, which turn down potential donors who have received a tattoo or body piercing within the past 12 months. By setting statewide standards for the body artists, Bunn's legislation could prompt blood banks to eliminate the 12-month provision and allow more people to donate.

"To make sure for the future (that) we have an adequate supply of blood, they're looking to make sure those who are of age and of a (certain) health status can be available to give..." Bunn told the House Licensing Division March 4. "And we're finding, culturally, that more and more people have tattoos and various kinds of body art."

Bunn's bill would require technicians to complete coursework on bloodborne pathogens and infection control. It would also set health and safety standards for performing procedures, including requiring the use of single-use needles and ink. Cities would be allowed to impose stricter measures if desired.

Approved by the division and the House Health Care and Human Services Policy and Oversight Committee March 9, it now goes to the House Civil Justice Committee. A companion, SF525, sponsored by Sen. Yvonne Prettner Solon (DFL-Duluth), awaits action by the Senate Health and Human Services Budget Division.

The bill is supported by the American Red Cross and Memorial Blood Centers, as well as tattoo artists who've had a hand in shaping the legislation. Tanika Nolan, an owner of ACME Tattoo Co. Inc. in St. Paul, is among them. She said some of the language in the bill needs work, but she supports it because it would offer the industry a measure of credibility.

"I hope that we can work together to come up with a good one instead of a quick one," she said.

— L. RADOMSKI

### **Arena air monitors proposed**

In the three years before Linda Davis was diagnosed with chronic carbon monoxide poisoning, she experienced daily memory loss, fatigue and muscle weakness. The former professional figure skater and longtime coach

had to sleep for hours during the day to muster the energy to make it to the ice arena at night. By the time of her 2008 diagnosis, Davis had realized what was making her sick: exhaust from the equipment used to maintain the ice.

"I like to talk to people and I say, 'Would you ever run a car inside a gymnasium, close the doors and ask kids to run around it?'" Davis asked the House Health Care and Human Services Policy and Oversight Committee March 10.

The approved HF3512, which would require all Minnesota ice arenas to contain an electronic air monitoring device that would activate exhaust fans when levels of carbon monoxide or nitrogen dioxide reached certain thresholds. The bill, sponsored by Rep. Rick Hansen (DFL-South St. Paul), would lower the acceptable thresholds of these gasses and allow the state to administer grants to help fund the devices. It was sent to the House Finance Committee without recommendation.

Minnesota is home to about 250 ice arenas, all of which would likely need to be upgraded to accommodate the monitors, said Linda Bruemmer, director of the Department of Health's Environmental Health Division. Current rules require ice arena staff to test air quality once a week on the day maintenance equipment is used most.

Department officials said they support Hansen's idea, but do not know of existing technology that would link a monitoring device with an arena's ventilation system.

"The state has not seen one in operation, so in my technical expertise ... this would be an experiment," said Dale Dorschner, manager of the Indoor Environments and Radiation Section.

Several committee members said they were alarmed by the issue. Rep. Steve Gottwalt (R-St. Cloud) echoed similar sentiments, but said he wants to make sure state standards are realistic so that the problem is addressed.

A companion, SF3175, sponsored by Sen. Ellen Anderson (DFL-St. Paul), awaits action by the Senate Environment and Natural Resources Committee.

— L. RADOMSKI

## **HOUSING**

### **Resolving mobile home conflicts**

Residents of manufactured home parks would have a potentially faster, less expensive way to resolve disputes under a bill held over for possible inclusion in an omnibus bill.

Rep. Will Morgan (DFL-Burnsville) sponsors HF2353, which would allow park residents and owners to have their disputes heard before an administrative law judge with the Office of Administrative Hearings. Under

current law, the only outlet for resolving conflicts is a civil suit.

Such proceedings can drain people financially, park resident Paul Ruby told the House Housing Finance and Policy and Public Health Finance Division March 9. Residents could be evicted before a civil suit is resolved and may lose their home if they cannot afford the \$4,000 to \$8,000 cost of relocating the property.

"We want an inexpensive and efficient means to address these issues," Ruby said.

Morgan's bill, which does not have a Senate companion, would allow both parties to participate in mediation before a hearing is scheduled; the parties would be responsible for covering the cost of the proceedings.

Judge Bruce Johnson of the Office of Administrative Hearings said he has conducted proceedings via conference call and video conference — attractive options for people from Greater Minnesota. He called the process "more in the nature of arbitration than it is a court-type hearing." Anyone dissatisfied with a ruling could bring an appeal to a district court or to the Court of Appeals.

Mark Brunner, president of the Minnesota Manufactured Housing Association, said he would like the bill's language to filter out "frivolous complaints" that could extend the time it takes to resolve more significant conflicts. He sees conciliation as a viable solution for resolving disputes, but said he is not sure Morgan's bill addresses the issues of speed or cost.

About 180,000 Minnesotans live in manufactured home parks, according to All Parks Alliance for Change, a St. Paul-based tenants union.

— L. RADOMSKI

## **HUMANITIES**

### **New cuts, 'new ideas'**

Access to federal matching dollars, impact to local communities and job retention were among the guiding principles used by the House Cultural and Outdoor Resources Finance Division as it moved to cut \$2.5 million from the current biennial budget of state agencies under its financial cloak.

"Unless there is a dramatic turnaround, the challenge we face this year will only be magnified in the next biennium," said Rep. Mary Murphy (DFL-Hermantown), division chairwoman.

The overall budget reduction averaged about 3 percent. Murphy encouraged the various agencies to seek "opportunities for non-state revenue," such as new public/private partnerships, user fees and online merchandising agreements.

A successful delete-all amendment to HF 3015 transformed the bill that originally supported placeholder language for the Minnesota Film and TV Board into the omnibus cultural and outdoor resources supplemental budget bill. Approved by the division, it now moves to the House Finance Committee. The companion, SF2931, is sponsored by Sen. Richard Cohen (DFL-St. Paul). It awaits action by the Senate Finance Committee.

Although agencies, including the Minnesota Historical Society, the Minnesota State Arts Board and public broadcasting would see a decrease in General Fund appropriations in the bill, they are recipients of funds from the increase in the sales tax constitutionally dedicated for arts and culture ventures. However, there is a legal question as to whether the dedicated funds can be used to fill in any General Fund appropriation gap. Murphy said the proposed cuts do not test the concept. "Just as the constitutional amendment presented new ideas, our budget situation provides opportunity to work collaboratively, and may allow us to explore new ways to support our priorities," she said.

— L. SCHUTZ

## INDUSTRY

### Equipment loans for manufacturers

Manufacturers could apply for low-interest loans from the state to help pay for new equipment, under a bill approved by a House division.

Sponsored by Rep. Tom Rukavina (DFL-Virginia), HF3037 would establish a manufacturing equipment loan program within the Department of Employment and Economic Development. The loans could cover up to 50 percent of the cost of the new equipment, and would allow for a grace period of up to two years before payments are due.

The House Higher Education and Workforce Development Finance and Policy Division approved the bill March 9 and referred it to the House Finance Committee, with a recommendation that it be sent to the House Capital Investment Finance Division.

The program would be administered by DEED and funded through the sale of revenue bonds. Rukavina said it would be a way to bring back some manufacturing jobs lost during the recent downturn "without bankrupting the state."

"My experience with some of the businesses in my district right now ... is they're very, very nervous about the fact that they're barely hanging on and they can't get capital anywhere," Rukavina said.

As evidence, Rukavina cited testimony from a House Jobs Task Force hearing last fall in which a small business owner said he could expand his company and hire new workers if he could get a loan for new equipment. The owner said he couldn't get a loan because tight credit markets had stifled lending by banks.

Rep. Rob Eastlund (R-Isanti) said that while the overall concept has "some merit," he is concerned businesses that would otherwise qualify for private financing from banks would use the state program just to get the lower interest rate.

"My sense here is that this is going to be issued at a rate lower than the marketplace," Eastlund said. He suggested the bill include criteria that would limit the use of the program to only those companies that can't access private capital.

The bill has no Senate companion.

— N. BUSSE

### Protecting motorsports dealers

Motorsports dealers say they need protection from manufacturers who unfairly terminate their franchise agreements, and a House committee approved a bill that would do just that.

Sponsored by Rep. David Dill (DFL-Crane Lake), HF1157 would set minimum standards for franchise agreements between manufacturers and dealers of snowmobiles, all-terrain vehicles and watercraft. The House Commerce and Labor Committee approved the bill March 9 and sent it to the House Civil Justice Committee.

Dealers say the manufacturers can and have canceled franchise agreements for dubious reasons, effectively eliminating their ability to sell the manufacturers' products and refusing to buy back inventory the dealers have already purchased.

The bill would protect dealerships by forbidding manufacturers from terminating agreements without good cause. Manufacturers who do terminate agreements would be required to buy back the inventory purchased by the dealer.

Steve Vandeputte, owner of Brothers Motorsports, said his dealer agreement with Polaris was terminated in 2006. He said Polaris never gave him a reason, and refused to buy back his product, leaving him with a huge financial burden.

"I said, 'If you don't want me as a dealer anymore, all I ask is that you buy my product back and make me whole.' They said under Minnesota law, they don't do that and they don't have to. End of story," Vandeputte said.

Dill argues that since dealerships in the automobile, motorcycle and farm

implement industries are afforded similar legal protections, motorsports dealers should be too; however, opponents say that's not necessarily the case.

Annamarie Daley, a lobbyist representing Arctic Cat, argued that motorsports dealerships are different because manufacturers' products are sold right next to their competitors — unlike automobile dealers, who typically sell only a single company's products. She said the bill would put manufacturers at a competitive disadvantage.

"If you decide one day you want to walk away from Arctic Cat and go sell Honda, any dealer can do that and force all of its inventory onto Arctic Cat," she said.

A companion, SF406, sponsored by Sen. Tom Bakk (DFL-Cook), awaits action by the Senate Judiciary Committee.

— N. BUSSE

## LAW

### Domestic partner probate rights

When a gay man was hospitalized, the man's partner was unable to visit him in the same way that a heterosexual couple can.

"That really got me thinking about the inequality that many of our neighbors and constituents face on a day-to-day basis," said Rep. Frank Hornstein (DFL-Mpls).

He sponsors HF3134 to provide equal access to personal asset distribution in relation to the uniform probate code.

Approved March 10 by the House Civil Justice Committee on a split-voice vote, the bill goes to the House floor. Its companion, SF2765, sponsored by Sen. Linda Scheid (DFL-Brooklyn Park), awaits action by the Senate Judiciary Committee.

"This essentially puts into place a definition for domestic partners, and opens up the probate statute to include that definition in the places where 'spouse' is indicated," said Ann Kaner-Roth, executive director of Project 515, an nonprofit organization that aims to ensure same-sex couples have equal rights and considerations under state law. "The protections that would be allowed would allow the assets of a person who dies without a will in place to be distributed to their domestic partner."

If a spouse in a married couple dies without a will, the other spouse "is sort of the default recipient of the estate," she added.

Tom Prichard, president of the Minnesota Family Council, spoke against the bill, saying it is a way to "redefine marriage by another name under the guise of domestic partnerships. ... Married couples have a legal status and legal obligations, whereas these

individuals are getting the benefits without the responsibilities.”

He also said the bill is discriminatory because it could violate a human rights discrimination provision, and it excludes other people that might care for another person.

— M. COOK

## LOCAL GOVERNMENT

### Four-day workweek voted down

The Mower County Board hoped a four-day workweek would help it deal with a \$1.4 million anticipated cut to local government aid without raising property taxes.

Sponsored by Rep. Jeanne Poppe (DFL-Austin), HF3358 would have permitted the county to be open for business four days a week, not five. The county would have offered extended service hours on those four days.

However, the House Local Government Division voted down the bill March 8.

County Coordinator Craig Oscarson said that the board prefers adjusting its workweek to raising taxes. He estimates the county could save \$50,000 in custodial services, paper products and energy costs by shutting down one of its buildings one extra day a week.

Rep. Rob Eastlund (R-Isanti) and Rep. Bev Scalze (DFL-Little Canada) questioned whether the anticipated savings would be worth the change, although Scalze noted that private companies are taking similar measures to curb costs.

Eastlund noted that the bulk of a county's budget, as with school districts, is for employee salaries and benefits. “It's ludicrous to think we're going to realize much savings without lowering labor costs,” he said.

Sara Lewerenz, legislative coordinator for Council 65 of the American Federation of State, County and Municipal Employees, said she is concerned about the effects of the proposal on Mower County's lowest paid workers, whose hours could be reduced if they do not need to plow snow or clean buildings on the day off.

Rep. Frank Hornstein (DFL-Mpls) said that being forced to choose between raising taxes and laying off public workers is “not a good precedent to set.”

Rep. Mark Buesgens (R-Jordan) applauded Poppe for “thinking outside the box,” but added, “I wish we could blow up the box.”

Sen. Dan Sparks (DFL-Austin) sponsors a companion, SF2966. It awaits action by the Senate State and Local Government Operations and Oversight Committee.

— K. BERGGREN

### Sewer fees help stagnant fund

Because housing and commercial developments in the Twin Cities metropolitan area have slowed since 2007, the Metropolitan Council's wastewater reserve capacity fund is in danger of being depleted to the last drop.

Metro area wastewater fees flow through several channels. First, when a new residential or commercial development or expansion project is built in the seven-county metropolitan area, cities and townships assess a sewer availability charge. These fees are deposited into the council's reserve capacity fund. Then, a portion of the reserve capacity fund, determined as a percentage of the total reserve balance, is transferred to the Wastewater Operating Fund to cover debt service payments.

Because of stagnant development in recent years, SAC receipts have decreased 40 percent last year and 70 percent since 2004, according to Jason Willett, director of financial management and planning for the council's Environmental Services Division. He said the council has deferred capital projects and tightened SAC credit rules to help rein in nearly \$1 billion wastewater debt, but the reserve fund remains low.

Any bond rating decline associated with the decrease in fund capacity could affect the council's bond rating, too, Willett added.

Rep. Paul Gardner (DFL-Shoreview) sponsors HF2949, which would allow the council, if it deems necessary, to temporarily change its source for debt service payments from the reserve capacity transfer to regular sewer fees. The shift would require a public hearing and “appropriate study.” The change would sunset Dec. 31, 2015.

The fee would likely be less than \$1.20 per month per household, according to Willett.

The House Local Government Division approved the bill March 8 and sent it to the House State and Local Government Operations Reform, Technology and Elections Committee. Sen. Ann Rest (DFL-New Hope) sponsors a companion, SF2925, which awaits action by the Senate State and Local Government Operations and Oversight Committee.

— K. BERGGREN

### Peace officer probationary period

**Signed  
by  
the  
governor**

New Hope and East Grand Forks were the only communities in the state with a six-month probationary period for their peace officers.

A new law signed March 9 by Gov. Tim Pawlenty, and effective the next day, lengthens that period to 12 months.

Rep. Sandra Peterson (DFL-New Hope), who sponsors the law with Sen. Ann Rest (DFL-New Hope), said the longer period is consistent with all other municipalities in the state and a reasonable period for mentoring new officers.

Last year, a newly hired officer in East Grand Forks had an extended medical leave; by the time he returned to work, he had missed the training requirements for probationary officers and had to be let go.

HF2713/SF2309\*/CH186

— K. BERGGREN

## MILITARY

### Report supports new vet's cemetery

A January report confirms that, based on demographics, a new state veteran's cemetery is warranted for southern Minnesota. However, current law only directs the veterans affairs commissioner to seek possible sites in Redwood County and in the northeastern part of the state, with a \$500,000 appropriation for land acquisition.

The State Veterans Cemetery study has resulted in at least five bills this session proposing new cemeteries; however, it is unlikely that any would be built anytime soon unless the land comes to the state at little or no charge.

The House Agriculture, Rural Economies and Veterans Affairs Finance Division heard two of the bills March 9, but took no action.

Rep. Andy Welti (DFL-Plainview) and Rep. Greg Davids (R-Preston) represent neighboring southeastern Minnesota districts, and they each sponsor bills that address the location discrepancy.

Davids' bill, HF3057, would add Fillmore County as a location. Welti's bill, HF3180, would add southeastern Minnesota to the current law.

The National Cemetery Administration decides the need for veterans cemeteries and covers the construction costs, but the state is responsible for obtaining land and the ongoing operational costs. The state currently has one state veterans cemetery and it is located near Little Falls.

Davids acknowledges that the current appropriation is not enough to purchase needed acreage in southeastern Minnesota for a cemetery.

Rep. Al Juhnke (DFL-Willmar), the division chairman, encouraged those wishing to locate a cemetery in their districts to look first for available publicly owned land. “That would be our first choice, certainly if someone wants to donate land, we'd accept it.”

The respective companions, SF2682,



sponsored by Sen. Sharon Erickson Ropes (DFL-Winona), and SF2894, sponsored by Sen. Ann Lynch (DFL-Rochester), await action by the Senate Finance Committee.

— L. SCHUTZ

## SAFETY

### Closing a weapons loophole

There is no silver bullet to stopping gun violence, but a loophole could be closed to keep a firearm away from someone who shouldn't have one.

Sponsored by Rep. Michael Paymar (DFL-St. Paul), HF2960 would prohibit the sale of a firearm at a gun show without conducting a background check on the buyer.

The House Crime Victims/Criminal Records Division held it over March 5 for possible inclusion in its division report. A companion, SF2659, sponsored by Sen. D. Scott Dibble (DFL-Mpls), awaits action by the Senate Judiciary Committee.

"The dangerous people the background check can uncover are felons, individuals who have been convicted of a domestic assault and those with serious mental health problems," Paymar said. He noted that other states, including California, Michigan and Pennsylvania, use the process specified in the bill. The bill is patterned after a Colorado statute enacted following the 1999 Columbine High School massacre. A friend purchased the guns used by the shooters from an unlicensed seller at a gun show.

Rep. Paul Kohls (R-Victoria) and Rep. Dave Olin (DFL-Thief River Falls) said nothing presented at the meeting showed a definitive connection between gun show sales and crimes with a firearm.

"There's nothing in this bill that will stop a criminal from purchasing from an individual who is not a federally licensed dealer outside a gun show," Kohls said.

Joseph Olson, president of the Gun Owners Civil Rights Alliance of Minnesota, said the bill would only "create a harassment situation for the million-and-a-half law abiding gun owners in Minnesota who wish to sell

their private property to other folks."

Paymar emphasized the bill does not infringe on the right to bear arms; it only affects gun shows by requiring a promoter to arrange for at least one federally licensed firearm dealer on the premises to obtain the background checks.

"We require background checks for teachers, and for coaches and for some people in certain jobs," said Joan Peterson, president of the Minnesota Million Mom Chapters of the Brady Campaign to Prevent Gun Violence. "Why then, would you not require them for dangerous people who buy guns?"

— M. COOK

### Vulnerable offenders to register

A couple of years ago, a nurse's assistant in a licensed group home did what most people would consider a sickening act.

"The victim in that case was a 52-year-old woman with an adjustment disorder, depression and had what was described as borderline intellectual functioning," said Tara Patet, a senior prosecutor with the St. Paul City Attorney's Office. "During his employment at the facility, the perpetrator became acquainted

with her, and it was discovered that, on several occasions during his shifts, he would go into her room and engage in oral sex with the victim."

The worker was found guilty for his actions, but was not required to register as a predatory sex offender.

Sponsored by Rep. Debra Hilstrom (DFL-Brooklyn Center), HF3276 would add criminal abuse of a vulnerable adult to the list of registrable offenses under the state's predatory offender registration law. It has no Senate companion.

"We should require them to register because they fit in the category of the other people we already have register," Hilstrom said.

Approved March 4 by the House Public Safety Policy and Oversight Committee, it was sent to the House Finance Committee with a recommended re-referral to the House Public Safety Finance Division.

Under current law, a therapist who has sex with a client, a member of the clergy or a correctional facility employee having sex with an inmate would be required to register as an offender.

"We feel this would simply fill a gap that currently exists in the registration law that is inconsistent with its intent and overall spirit of protecting the public, and in particular vulnerable adults from predatory offenders," Patet said. She said the change would recognize the "vulnerability of persons in care facilities and is a flat-out bar to sexual contact by people who work in those facilities."

A companion, SF3194, sponsored by Sen. Leo Foley (DFL-Coon Rapids), awaits action by the Senate Judiciary Committee

— M. COOK

### Protecting paws and claws

A person who causes bodily harm or renders a service animal unable to perform its duty could be charged with a gross misdemeanor, under a bill approved by the House Crime Victims/Criminal Records Division March 5.

Sponsored by Rep. Mindy Greiling (DFL-Roseville), HF3312 would provide protection for the animals, and allow a person to collect expenses associated with the crime from the convicted person.

Lolly Lijewski said that last September, as she entered a store, she felt her guide dog's legs buckle underneath her. A witness told Lijewski that someone had just kicked her dog in the jaw and helped her identify the person who committed the act.

"They get us around every day, they are supremely trained ... but one incident can change that," she said. A severe incident could cause a dog to have to be retrained or replaced, she added.



PHOTO BY ANDREW VONBANK

**Jerry Dhennin, retired sheriff's deputy, displays an assault rifle to the House Crime Victims/Criminal Records Division March 5 during his testimony supporting a bill that would require a background check for transfer of a firearm at a gun show.**



PHOTO BY ANDREW VONBANK

**"Ryan" the service dog takes a rest during the House Crime Victims/Criminal Records Division meeting March 5, while Lolly Lijewski, left, Chris Bell, center and Rep. Mindy Greiling testify on a bill that would provide a criminal penalty for intentionally rendering a service animal unable to perform its duties.**

Also approved March 9 by the House Public Safety Policy and Oversight Committee, it awaits action by the full House. A companion, SF2990, sponsored by Sen. D. Scott Dibble (DFL-Mpls), awaits action by the Senate Judiciary Committee.

— P. OSTBERG

according to Internal Revenue Service regulations. This includes contributions made by text message, check, credit card or debit card.

The expected net cost to the state for the credit is approximately \$10,000.

HF2763/SF2352\*/CH187

— L. SCHUTZ

## TAXES

### Tax relief for Haitian help

**Signed  
by  
the  
governor**

People donating financially to organizations providing earthquake relief in Haiti can choose to claim the charitable contribution on their 2009 itemized federal tax return, rather than the 2010 return. The same accelerated deduction is now available on state income tax returns.

Sponsored by Rep. Ann Lenczewski (DFL-Bloomington) and Sen. Tom Bakk (DFL-Cook), the state provision was signed into law March 9 by Gov. Tim Pawlenty. It is effective the next day.

The federal special tax relief provision was enacted Jan. 22, to make deductible monetary contributions to qualifying charitable organizations that are assisting with relief efforts in Haiti following the Jan. 12 earthquake.

Only cash contributions made to qualifying charities between Jan. 12, 2010, and Feb. 28, 2010, are eligible for the federal deduction,

## TRANSPORTATION

### Policy bill makes another try

The new Highway 23 bridge over the Mississippi River in St. Cloud could be named the "Granite City Crossing."

The name provision is in an updated version of the 2009 omnibus transportation policy bill that was vetoed by the governor. Several other provisions from last year are in round two of the bill; but lacking are the provisions that made it a veto target.

The House Finance Committee approved HF2807, sponsored by Rep. Frank Hornstein (DFL-Mpls), March 8 and sent it to the House Ways and Means Committee.

What's out of the bill is reference to a specific route for a proposed high-speed rail line from the Twin Cities metropolitan area to Chicago. The governor had said that it was premature to select a specific route.

The bill also clarifies language creating a Council on Transportation Access. The governor had objected to a provision last year that members would be eligible for per diem;

therefore, the new language states that members would only be reimbursed for expenses.

The 2009 bill prohibited several activities at rest areas, including sleeping overnight in vehicles or pitching a tent. An amendment successfully offered by Rep. Bobby Joe Champion (DFL-Mpls) eliminates most proposed prohibitions, but keeps one relating to improper disposal of trash and rubbish at rest areas.

The bill also designates two highway sections as memorials to veterans: the "Becker County Veterans Memorial Highway" would be along segments of Trunk Highways 34 and 87, a portion of Trunk Highway 200 from the North Dakota border to Mahanomen as the "Veterans Memorial Highway." It also clarifies the description in a 2009 law creating a Clearwater County Veterans Memorial Highway along Trunk Highway 200.

The bill's cost to the General Fund would be \$153,000 in fiscal year 2011 and \$150,000 in fiscal years 2012 and 2013.

A companion, SF2540, sponsored by Sen. Steve Murphy (DFL-Red Wing), awaits action by the Senate Rules and Administration Committee.

— L. SCHUTZ

### Foreign IDs for driver's licenses

People unable to obtain a state driver's license or identification card because they don't have the required forms of documentation might be allowed to submit a government identification card from another country as one of two forms required.

Sponsored by Rep. Karen Clark (DFL-Mpls), HF1718 was approved by the House Transportation and Transit Policy and Oversight Division on an 8-5 party-line, roll call vote and sent to the House Finance Committee with a recommended referral to the House Transportation Finance and Policy Division.

Clark said four other states already allow foreign government identification as acceptable forms when obtaining a license to drive. She added that the issue of proper licensing and insurance for drivers is a separate issue from legal and illegal immigration issues.

A companion, SF1615, sponsored by Sen. Scott Dibble (DFL-Mpls), awaits action by the Senate Transportation Committee.

— S. HEGARTY

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## Monday, March 8

### **HF3414-Hilty (DFL)** **Finance**

Public Utilities Commission supplemental funding authorized.

### **HF3415-Kalin (DFL)** **Finance**

Public Utilities Commission decisions required to further goals of state energy efficiency and renewable energy; showings modified in certificate of need process and study required.

### **HF3416-Bigham (DFL)** **Health Care & Human Services Policy & Oversight**

Legend drug definition changed.

### **HF3417-Smith (R)** **Transportation & Transit Policy & Oversight Division**

Persons operating a vehicle under instruction permit required to display "Student Driver" sticker or magnet.

### **HF3418-Mack (R)** **Health Care & Human Services Policy & Oversight**

Minnesota health insurance sale permitted in another state under certain conditions, electronic environmental assessment worksheets authorized, definition of a small employer modified under the Small Employer Health Benefits Act and corporate franchise tax rate reduced.

### **HF3419-Mack (R)** **Taxes**

Tax credit provided for increasing employment.

### **HF3420-Holberg (R)** **Public Safety Policy & Oversight**

Medical examination requirements conformed for commercial driver's license to federal law.

### **HF3421-Mariani (DFL)** **K-12 Education Policy & Oversight**

High school assessments established to determine college and career readiness.

### **HF3422-Bunn (DFL)** **Health Care & Human Services Policy & Oversight**

County mandate relief provided; diversionary work program and family stabilization services repealed; conforming and technical changes made; and Children and Community Services Act plan modified.

### **HF3423-Peterson (DFL)** **Public Safety Policy & Oversight**

Criminal penalty increased for possessing dangerous weapons on school property.

### **HF3424-Dittrich (DFL)** **K-12 Education Policy & Oversight**

Online learning provided.

### **HF3425-Hackbarth (R)** **Taxes**

Property required to be valued as residential homestead.

### **HF3426-Thissen (DFL)** **Health Care & Human Services Policy & Oversight**

Report requested regarding the effectiveness of state programs serving people with disabilities.

### **HF3427-Winkler (DFL)** **Public Safety Policy & Oversight**

Minnesota Homeland Security and Emergency Management Act of 2010; and administrative, programmatic, technical changes made.

### **HF3428-Cornish (R)** **Public Safety Policy & Oversight**

Retired peace officers authorized to carry a pistol without a permit and law enforcement agencies required to issue identification to former officers who qualify to carry without a permit.

### **HF3429-Welti (DFL)** **Energy Finance & Policy Division**

Large solar electric generation demonstration conservation improvement project provided.

### **HF3430-Buesgens (R)** **K-12 Education Policy & Oversight**

Mandates reduced and temporary mandate suspensions allowed.

### **HF3431-Dettmer (R)** **Taxes**

Income tax subtraction provided for purchasing an energy management system.

### **HF3432-Downey (R)** **Early Childhood Finance & Policy Division**

Quality rating and improvement system modified.

### **HF3433-Juhnke (DFL)** **Environment Policy & Oversight**

Subsurface sewage treatment system provisions modified.

### **HF3434-Scott (R)** **Civil Justice**

Duty of care established for municipal building inspectors and local subsurface sewage treatment system inspectors.

### **HF3435-Scott (R)** **Civil Justice**

Termination provided for spousal maintenance based on cohabitation.

### **HF3436-Loon (R)** **State & Local Government Operations Reform, Technology & Elections**

Zero-based budgeting provided.

### **HF3437-Loon (R)** **Commerce & Labor**

Waterless urinal installation allowed.

### **HF3438-Juhnke (DFL)** **Finance**

Veteran home appropriation designation removed.

### **HF3439-Juhnke (DFL)** **Finance**

Commissioner of veterans affairs authority clarified to spend certain funds.

### **HF3440-Dittrich (DFL)** **Taxes**

Property tax and delinquent property tax method of payment modified.

### **HF3441-Zellers (R)** **Finance**

Maple Grove; bridge reconstruction funding provided.

### **HF3442-Hosch (DFL)** **Health Care & Human Services Policy & Oversight**

Personal care assistance requirements modified, nursing assistant requirements modified, housing modified with service registration fees and other license fees, long-term care transitional assistance required, customized living services modified, housing with services modified and nursing facility rate changed.

### **HF3443-Hausman (DFL)** **Public Safety Policy & Oversight**

Courts authorized to recognize a medical necessity defense for certain criminal, administrative and civil cases involving marijuana.

### **HF3444-Scalze (DFL)** **Environment Policy & Oversight**

Public water suppliers required to establish enterprise accounts in order to be eligible for grants administered by the Public Facilities Authority.

### **HF3445-Scalze (DFL)** **Environment Policy & Oversight**

Wastewater treatment facilities required to recover the costs of providing services; eligibility modified for loans and grants administered by the Public Facilities Authority.

### **HF3446-Doepke (R)** **K-12 Education Policy & Oversight**

Board of Teaching authorized to amend its licensure rules to permit a tiered teacher licensure structure; and revised special education licensure requirements.

### **HF3447-Bigham (DFL)** **Public Safety Policy & Oversight**

DNA collection from offenders authorized.

### **HF3448-Rukavina (DFL)** **Finance**

Minnesota State Colleges and Universities; pilot project established for the local deposit of certain reserves.

### **HF3449-Kahn (DFL)** **Finance**

State government programs or activities money appropriated or reduced, and other provisions changed.

### **HF3450-Holberg (R)** **Transportation & Transit Policy & Oversight Division**

Priced highway lane governing requirements modified.

### **HF3451-Peppin (R)** **State & Local Government Operations Reform, Technology & Elections**

State-owned buildings process of disposal designated.

### **HF3452-Lieder (DFL)** **Finance**

Trunk highway bond authorization date provided.

### **HF3453-Eken (DFL)** **Commerce & Labor**

Electrical requirements modified for agricultural buildings.

### **HF3454-Winkler (DFL)** **State & Local Government Operations Reform, Technology & Elections**

Independent expenditures by corporations ban repealed.

### **HF3455-Shimanski (R)** **Finance**

Conservation investment program spending temporarily authorized for emergency bill payment assistance.

### **HF3456-Scalze (DFL)** **Environment Policy & Oversight**

Coal tar products use and sale prohibited; civil penalties provided.

### **HF3457-Hilstrom (DFL)** **Public Safety Policy & Oversight**

Indeterminate sentencing expanded for sex offenders with prior convictions for certain predatory offenses.

### **HF3458-Shimanski (R)** **Transportation & Transit Policy & Oversight Division**

Department of Transportation consultation required on roundabout design.

### **HF3459-Sailer (DFL)** **Environment Policy & Oversight**

Local ordinance adoption requirements delayed regarding subsurface sewage treatment systems and advisory committee requirements modified.

### **HF3460-Hornstein (DFL)** **Transportation & Transit Policy & Oversight Division**

Definition changed to conform to International Registration Plan for commercial motor vehicles.



**HF3461-Hornstein (DFL)**  
**Transportation & Transit Policy & Oversight Division**  
Skyway access requirements established for stations on the Central Corridor light rail transit line.

**HF3462-Rosenthal (DFL)**  
**Transportation & Transit Policy & Oversight Division**  
Driver's license cancellation provided for failure to pay final installment of driver's license reinstatement fee and surcharges.

**HF3463-Bly (DFL)**  
**Transportation & Transit Policy & Oversight Division**  
Northfield, Minneapolis; Dan Patch commuter rail line restrictions modified to allow study and planning.

**HF3464-Kohls (R)**  
**State & Local Government Operations Reform, Technology & Elections**  
State reports and documents laws modified.

**HF3465-Kohls (R)**  
**K-12 Education Policy & Oversight**  
Special education director allowed to be assigned direct instructional duties.

**HF3466-Atkins (DFL)**  
**Commerce & Labor**  
Fraternal benefit society risk-based capital regulated and adjustments made.

**HF3467-Davnie (DFL)**  
**Taxes**  
Tobacco control and tobacco use prevented; definitions modified of cigarette, tobacco, tobacco products and tobacco-related devices; promotional and self-service distribution rules modified; sale of tobacco related devices subject to municipal licensing; study proposed.

**HF3468-Poppe (DFL)**  
**State & Local Government Operations Reform, Technology & Elections**  
Town meeting minutes provided.

**HF3469-Mullery (DFL)**  
**Civil Justice**  
Time limit provided for appealing decisions of a governing body or board of adjustment to district court.

**HF3470-Slawik (DFL)**  
**Early Childhood Finance & Policy Division**  
State Advisory Council on Early Childhood Education and Care membership and duties modified.

**HF3471-Nornes (R)**  
**Early Childhood Finance & Policy Division**  
State Advisory Council on Early Childhood Education and Care duties modified.

**HF3472-Nornes (R)**  
**Finance**  
Cap raised for revenue bonds authorized for the Minnesota State Colleges and Universities System.

**HF3473-Sailer (DFL)**  
**Energy Finance & Policy Division**  
Small city energy efficiency grant program expanded to include commercial buildings.

**HF3474-Urdahl (R)**  
**Commerce & Labor**  
Incandescent light bulbs manufactured in Minnesota use and sale authorized.

**HF3475-Dittrich (DFL)**  
**State & Local Government Operations Reform, Technology & Elections**  
Independent agency created to oversee management of Minnesota's permanent school fund lands.

**HF3476-Laine (DFL)**  
**Health Care & Human Services Policy & Oversight**  
Lodging establishments definitions modified.

**HF3477-Rukavina (DFL)**  
**Higher Education & Workforce Development Finance & Policy Division**  
Changes to administration of financial programs notice required and transfer authority for grant programs modified.

**HF3478-Benson (DFL)**  
**Finance**  
School district mandates reduced, additional flexibility allowed and certain fund transfers authorized.

**HF3479-Rosenthal (DFL)**  
**Public Safety Policy & Oversight**  
Office of Administrative Hearings authorized to review driver's license revocation or disqualification and motor vehicle plate impoundment.

**HF3480-Gottwalt (R)**  
**State & Local Government Operations Reform, Technology & Elections**  
Number of members reduced of the Senate and House of Representatives.

**HF3481-Hoppe (R)**  
**Commerce & Labor**  
Malt liquor or spirits tastings allowed.

**HF3482-Persell (DFL)**  
**Environment Policy & Oversight**  
Ponto Lake Township, Cass County; aquatic management area designation provided.

**HF3483-Hoppe (R)**  
**Environment Policy & Oversight**  
Restitution values for trophy deer provided.

**HF3484-Masin (DFL)**  
**Civil Justice**  
Emergency hold provisions modified.

**HF3485-Juhnke (DFL)**  
**Commerce & Labor**  
Real estate appraiser experience requirement modified.

**HF3486-Morrow (DFL)**  
**Finance**  
Financial assistance changes made for public transit, federal aid governing requirements established, local share of transit provider operating costs governing requirements modified and reporting requirements amended.

**HF3487-Newton (DFL)**  
**K-12 Education Finance Division**  
Conciliation conference requirements clarified and Department of Education directed to amend two special education rules.

**HF3488-Severson (R)**  
**Taxes**  
Sauk Rapids; tax increment duration financing district extended and expenditures authorized.

**HF3489-Otremba (DFL)**  
**K-12 Education Policy & Oversight**  
Family and Consumer Sciences Leadership Council established.

**HF3490-Holberg (R)**  
**Finance**  
Requirements established governing capital requests and legislative reporting for projects to establish fixed guideway transit and rail lines.

**HF3491-Otremba (DFL)**  
**K-12 Education Policy & Oversight**  
One credit of family and consumer science made a requirement for high school graduation.

**HF3492-Hausman (DFL)**  
**Finance**  
Higher education asset preservation and replacement funding provided.

**HF3493-Hilty (DFL)**  
**Energy Finance & Policy Division**  
Rates charged to low-income customers regulated and inverted block rates provided.

**HF3494-Eken (DFL)**  
**Environment Policy & Oversight**  
Wetland value replacement plans provisions modified.

**HF3495-McFarlane (R)**  
**Finance**  
Data matching authorized; institution eligibility modified; award procedures, scholarship priorities and powers and duties established; refunds provide; terms defined; and corrections made.

**HF3496-Hilstrom (DFL)**  
**Public Safety Policy & Oversight**  
Registration required for persons convicted or adjudicated in another

country for offenses requiring registration in Minnesota; registration time period of predatory offender restarts after conviction of new crime clarified; attempt, aiding and abetting, and conspiracy to commit crimes against persons included for purposes of registration for predatory offender registration law.

**HF3497-Hansen (DFL)**  
**Agriculture, Rural Economies & Veterans Affairs**  
Tree care and tree trimming company registration required; sale and distribution of firewood regulated.

**HF3498-Knuth (DFL)**  
**Energy Finance & Policy Division**  
Department of Commerce directed to adopt conservation improvement program standards pertaining to appliance efficiency jurisdictions and commerce commissioner authorized to allow appliances meeting certain efficiency standards to be eligible for participation in utility conservation improvement programs.

**HF3499-Johnson (DFL)**  
**State & Local Government Operations Reform, Technology & Elections**  
Minneapolis and St. Paul; cities authorized to expand certain residential energy conservation programs to include commercial and industrial property.

**HF3500-Ward (DFL)**  
**Commerce & Labor**  
No. 1 diesel fuel exempt from biodiesel requirement during cold weather months.

**HF3501-Knuth (DFL)**  
**Environment Policy & Oversight**  
Pollution Control Agency directed to draft a proposed rule enabling Minnesota to participate in a regional cap-and-trade system to reduce greenhouse gas emissions.

**HF3502-Wagenius (DFL)**  
**Finance**  
Metropolitan area groundwater monitoring account and fee established.

**HF3503-Newton (DFL)**  
**Finance**  
School districts authorized to levy pay costs attributable to increase in employer contribution rates for pension plans.

**HF3504-Falk (DFL)**  
**Environment Policy & Oversight**  
Beaver control provided by road authorities.

**HF3505-Westrom (R)**  
**Finance**  
Bronze Star veteran's special license plate authorized.

**HF3506-Swails (DFL)**  
**Transportation & Transit Policy & Oversight Division**  
Washington County; portion of fines and civil penalties imposed for excessive weight violations in Washington County allocated to Washington County.

**HF3507-Severson (R)**  
**Taxes**  
Homestead market value exemption program eligibility period extended for the surviving spouse of an eligible disabled veteran.

**HF3508-Juhnke (DFL)**  
**Agriculture, Rural Economies & Veterans Affairs**  
Veterans Preference Act provisions clarified and amended.

**HF3509-Juhnke (DFL)**  
**Finance**  
Department of Veterans Affairs report requirement repealed on the status of a construction project priority listing.

**HF3510-Peterson (DFL)**  
**Finance**  
Department of Early Childhood Care and Education created.

**HF3511-Hilty (DFL)**  
**Health Care & Human Services Policy & Oversight**  
Sex offender program definitions modified.

**HF3512-Hansen (DFL)**  
**Health Care & Human Services Policy & Oversight**  
Indoor ice arenas required to have electronic air monitoring devices; grants to construct and renovate indoor ice arenas.

**HF3513-Anderson, S. (R)**  
**Commerce & Labor**  
Accelerated plumbing reviews and fees eliminated.

**HF3514-Mack (R)**  
**Commerce & Labor**  
Deferral provided of payment of fees under certain conditions.

**HF3515-Winkler (DFL)**  
**Finance**  
Name of state accounting and procurement system specified.

**HF3516-Westrom (R)**  
**Commerce & Labor**  
Licenses, certificates and registrations temporarily extended.

**HF3517-Clark (DFL)**  
**State & Local Government Operations Reform, Technology & Elections**  
Cosmetology licensing provisions modified, fees imposed and rulemaking required.

**HF3518-Seifert (R)**  
**Commerce & Labor**  
Liquor license fees amended for manufacturers.

**HF3519-Clark (DFL)**  
**Finance**  
Prairie Island; workgroup established to design a plan to monitor air and groundwater emissions from the Prairie Island nuclear plant, design of a monitoring network.

**HF3520-Fritz (DFL)**  
**Finance**  
Commissioner of human services required to seek federal match for specified grant expenditures; report required.

**HF3521-Scalze (DFL)**  
**Health Care & Human Services Policy & Oversight**  
Human exposure to arsenic reduced, and sale and purchase prohibited of certain products containing arsenic.

## **Tuesday, March 9**

**HF3522-McFarlane (R)**  
**State & Local Government Operations Reform, Technology & Elections**  
Campaign finance and public disclosure law definition changed.

**HF3523-Masin (DFL)**  
**Public Safety Policy & Oversight**  
Sex trafficking definition modified and commercial sex act defined.

**HF3524-Lieder (DFL)**  
**Finance**  
Authorization and discontinuance of special plates governing provisions modified.

**HF3525-Otremba (DFL)**  
**Transportation & Transit Policy & Oversight Division**  
Todd County; named highway established and trunk highway segments in Todd County identified as the Veterans Memorial Scenic Loop.

**HF3526-Paymar (DFL)**  
**Public Safety Policy & Oversight**  
Parole board established and membership duties and powers prescribed; eligibility of individual to be considered for parole prescribed.

**HF3527-Simon (DFL)**  
**Civil Justice**  
Jury trials provided and removal of cases to district court procedures modified.

**HF3528-McFarlane (R)**  
**Civil Justice**  
Higher education data regulated.

**HF3529-Abeler (R)**  
**Finance**  
Information provided in fiscal notes and revenue estimates modified.

**HF3530-Davids (R)**  
**Commerce & Labor**  
Annuity contracts prohibited from penalizing death as a forfeiture or surrender of the contract.

**HF3531-Haws (DFL)**  
**Health Care & Human Services Policy & Oversight**  
Minnesota Silver Alert System established for adults living with dementia or other cognitive impairment.

**HF3532-Peterson (DFL)**  
**Finance**  
School district not required to provide educational services to students without disabilities from other states.

**HF3533-Rukavina (DFL)**  
**Higher Education & Workforce Development Finance & Policy Division**  
Joint powers agreements may not circumvent or impinge upon the rights of employees covered by certain collective bargaining agreements.

**HF3534-Laine (DFL)**  
**Commerce & Labor**  
Commissioner of commerce required to hold a public hearing before approval of certain rate increases.

**HF3535-Hornstein (DFL)**  
**State & Local Government Operations Reform, Technology & Elections**  
Statewide telework requirements established.

**HF3536-Champion (DFL)**  
**State & Local Government Operations Reform, Technology & Elections**  
Exclusion required of persons incarcerated in state or federal correctional facilities from population counts used for state and local redistricting.

**HF3537-Mullery (DFL)**  
**Taxes**  
Research credit extended to individual income tax.

**HF3538-Scalze (DFL)**  
**Health Care & Human Services Policy & Oversight**  
Electronic prescribing requirements effective date extended for certain providers.

**HF3539-Benson (DFL)**  
**Finance**  
Charter schools revised evaluation requirements and changes in sponsorship fees postponed.

**HF3540-Morrow (DFL)**  
**Environment Policy & Oversight**  
St. Peter; conveyance of certain surplus state land authorized.

**HF3541-Mariani (DFL)**  
**K-12 Education Policy & Oversight**  
Legislative authority required for developing shared common assessments.

**HF3542-Mariani (DFL)**  
**K-12 Education Policy & Oversight**  
Open-ended items included on statewide high school assessments.

**HF3543-Scalze (DFL)**  
**Health Care & Human Services Policy & Oversight**  
Minnesota Comprehensive Health Association assessment replaced with health care provider tax revenues.

**HF3544-Huntley (DFL)**  
**Finance**  
State health care program payment rates reduced to managed care plans and state health care program fee-for-service payment rates increased.

**HF3545-Anderson, B. (R)**  
**Energy Finance & Policy Division**  
Certificate of need issuance for new nuclear power plant sunsetted.

**HF3546-Beard (R)**  
**Energy Finance & Policy Division**  
Impact of energy-related requirements report required.

**HF3547-Anderson, B. (R)**  
**Environment Policy & Oversight**  
Smaller facilities exempt from requirement to report greenhouse gas emissions.

**HF3548-Beard (R)**  
**Taxes**  
Airflight property levy related.

**HF3549-Eken (DFL)**  
**Environment Policy & Oversight**  
Landowner notification required of traps and snares in certain circumstances.

**HF3550-Atkins (DFL)**  
**Civil Justice**  
State and political subdivisions exempt from increased interest rates on certain judgments and awards.

**HF3551-Falk (DFL)**  
**Energy Finance & Policy Division**  
Wind easements-related provisions modified.

**HF3552-Hosch (DFL)**  
**Commerce & Labor**  
License fees for manufacturers amended.

**HF3553-Haws (DFL)**  
**State & Local Government Operations Reform, Technology & Elections**  
Stearns, Benton and Sherburne counties; charter commission provided to report on a form of county government.

**HF3554-Simon (DFL)**  
**Commerce & Labor**  
Gambling device and video game of chance definitions changed.

**HF3555-Drazkowski (R)**  
**Taxes**  
Green Acres treatment continuation provided after certain transfers.

**HF3556-Hortman (DFL)**  
**Environment Policy & Oversight**  
Fluorescent and high-intensity discharge lamp information requirements modified.

**HF3557-Loon (R)**  
**Commerce & Labor**  
Equipment and apparel requirements repealed.

**HF3558-Downey (R)**  
**State & Local Government Operations Reform, Technology & Elections**  
State workforce reduction required and early retirement program created.

**HF3559-Kohls (R)**  
**State & Local Government Operations Reform, Technology & Elections**  
Corporations allowed to make independent expenditures.

**HF3560-Kohls (R)**  
**Civil Justice**  
Violations of unlawful business practice statutes private remedies limited.

**HF3561-Drazkowski (R)**  
**Taxes**  
Credit for taxes paid to another state modified; permitted terms of income tax reciprocity modified with the state of Wisconsin.

**HF3562-Welti (DFL)**  
**Energy Finance & Policy Division**  
Energy efficiency definition modified to include ways to decrease consumption of delivered fuels.

**HF3563-Hackbarth (R)**  
**Environment Policy & Oversight**  
Agricultural contracts required for services performed on lands administered by the commissioner of natural resources.

**HF3564-Abeler (R)**  
**State & Local Government Operations Reform, Technology & Elections**  
Three Rivers Park District abolished.

**HF3565-Anderson, S. (R)**  
**Higher Education & Workforce Development Finance & Policy Division**  
Textbook price information provided to students.

**HF3566-Scott (R)**  
**Taxes**  
General fund contribution check-off provided.

**HF3567-Newton (DFL)**  
**Public Safety Policy & Oversight**  
BB gun definition broadened to include certain realistic appearing airsoft guns.

**HF3568-Newton (DFL)**  
**Health Care & Human Services Policy & Oversight**  
Health care providers required to participate in the federal TRICARE program as a condition of participating in state and public health care programs.

**HF3569-Newton (DFL)**  
**Finance**  
School districts authorized to transfer money among funds and accounts.

**HF3570-Newton (DFL)**  
**Finance**  
Loan program expanded to veteran-owned small businesses.

**HF3571-Koenen (DFL)**  
**Finance**  
Publicly owned nursing facilities rate increase authorized.

**HF3572-Davnie (DFL)**  
**State & Local Government Operations Reform, Technology & Elections**  
Dependent definition modified for purposes of group benefits for local government officers and employees.

**HF3573-Koenen (DFL)**  
**Taxes**  
Retailers held harmless for failing to collect sales tax on grain bins.

**HF3574-Rukavina (DFL)**  
**State & Local Government Operations Reform, Technology & Elections**  
Town boards authorized to require sewer and water connections on certain property.

**HF3575-Atkins (DFL)**  
**Commerce & Labor**  
Broadcast of siren sound used by an emergency vehicle prohibited by licensed commercial radio stations.

**HF3576-Lieder (DFL)**  
**Finance**  
Transportation economic development assistance program established, accounts and appropriating funds established, petroleum tank release cleanup fee amended and legislative reporting required.

**HF3577-Beard (R)**  
**Transportation & Transit Policy & Oversight Division**  
Pedestrian bypassing railroad signal provided to be unlawful.

**HF3578-Beard (R)**  
**Finance**  
Transportation, Metropolitan Council and public safety activities or program money appropriated or appropriations reduced; transportation projects, contracts and highway emergency relief account provisions modified; and transportation of hazardous materials regulating provisions repealed.

**HF3579-Kelly (R)**  
**Public Safety Policy & Oversight**  
Sentinel to service program guidelines established for administration and funding.

**HF3580-Morrow (DFL)**  
**Finance**  
Fort Ridgely State Park campground road funding provided.

**HF3581-Faust (DFL)**  
**Finance**  
Alternative teacher compensation program funding transferred to the general education revenue basic formula allowance.

**HF3582-Seifert (R)**  
**Energy Finance & Policy Division**  
2025 renewable energy standards abolished and clarifying changes made.

**HF3583-Kalin (DFL)**  
**Finance**  
County veteran service officer intern grant funding provided.

**HF3584-Sterner (DFL)**  
**State & Local Government Operations Reform, Technology & Elections**  
State contracts prohibited with vendors convicted of crimes involving fraud; legislative report required.

**HF3585-Davnie (DFL)**  
**K-12 Education Policy & Oversight**  
Charter school teacher facing discipline or discharge due process established, and charter school prohibited from punishing a teacher who reports violations of law or school policy.

**HF3586-Champion (DFL)**  
**Transportation & Transit Policy & Oversight Division**  
Highway construction contracting and disadvantaged business enterprise provisions modified.

**HF3587-Hortman (DFL)**  
**Transportation & Transit Policy & Oversight Division**  
Department of Transportation authorized to tow vehicles within metropolitan districts.

**HF3588-Hortman (DFL)**  
**Transportation & Transit Policy & Oversight Division**  
Transportation contract provisions modified.

**HF3589-Kath (DFL)**  
**Finance**  
Contracts for professional or technical services reporting threshold reduced.

**HF3590-Hornstein (DFL)**  
**Transportation & Transit Policy & Oversight Division**  
Park trailer provisions technical corrections made; federal law and regulation references updated.

**HF3591-Hornstein (DFL)**  
**State & Local Government Operations Reform, Technology & Elections**  
Minneapolis authorized to restrict the duration of operation of mobile food units.

**HF3592-Sterner (DFL)**  
**Commerce & Labor**  
Employment discrimination based on credit history prohibited.

## Thursday, March 11

**HF3593-Gunther (R)**  
**Finance**  
Minnesota business development public infrastructure merged with bioscience business development public infrastructure grant programs; licensing provisions modified; license fees imposed and modified; appropriations reduced.

**HF3594-Hackbarth (R)**  
**Environment Policy & Oversight**  
State trail designation moratorium established until existing designated trails are complete; future additions to the state trail system required to have necessary funding.

**HF3595-Magnus (R)**  
**Finance**  
Agriculture and veterans affairs appropriations changed, tree care and tree trimming company registration required.

**HF3596-Bly (DFL)**  
**Finance**  
Targeted service included as an alternative learning program, and department required to convene a workgroup and report to the Legislature.

**HF3597-Severson (R)**  
**Finance**  
State government uses and fees clarified.

**HF3598-Zellers (R)**  
**Finance**  
Veteran plates authorized for recipient of Silver Star or Bronze Star.

**HF3599-Howes (R)**  
**Environment Policy & Oversight**  
Experimental and special management waters designated for northern pike limited.

**HF3600-Simon (DFL)**  
**Commerce & Labor**  
Wine coolers grandfathered for credit purposes.

**HF3601-Persell (DFL)**  
**Environment Policy & Oversight**  
Invasive species training required for commercial dock and boat lift installers.

**HF3602-Hackbarth (R)**  
**Public Safety Policy & Oversight**  
Fireworks authorized personal use limited and criminal penalties provided.

**HF3603-Eken (DFL)**  
**Agriculture, Rural Economies & Veterans Affairs**  
Plaque placement authorized in the Court of Honor on the Capitol grounds to honor American Indian veterans from Minnesota.

**HF3604-Severson (R)**  
**Agriculture, Rural Economies & Veterans Affairs**  
Veterans Preference Act effective date amended.



**HF3605-Zellers (R)****Taxes**

Income tax, corporate franchise and interest netting overpayment provisions modified.

**HF3606-Sertich (DFL)****State & Local Government Operations Reform, Technology & Elections**

State government streamlined; Department of Employment and Economic Development and the Department of Labor and Industry abolished; Department of Commerce downsized; task force established; and employee participation committee establishment required before agency restructuring.

**HF3607-Kohls (R)****Public Safety Policy & Oversight**

Public safety, judiciary, private detective board, human rights and corrections funding changes provided; Office of Administrative Hearings authorized to review driver's license revocation or disqualification and motor vehicle plate impoundment resulting from implied consent violations.

**HF3608-Mack (R)****Taxes**

Autism-related medical expense subtraction allowed.

**HF3609-Mack (R)****Public Safety Policy & Oversight**

Law enforcement agency role clarified to accept a missing person report.

**HF3610-Hortman (DFL)****Environment Policy & Oversight**

Legislative Commission on Minnesota Water Governance and Policy established.

**HF3611-Abeler (R)****Finance**

Flexible benefit plans regulated; primary care provider tiering provided.

**HF3612-Dill (DFL)****Environment Policy & Oversight**

Youth hunting requirements modified.

**HF3613-Davids (R)****Environment Policy & Oversight**

Disability level modified for veterans receiving licenses without a fee.

**HF3614-Severson (R)****Transportation & Transit Policy & Oversight Division**

Vehicle-mounted digital signs regulated and technical changes made.

**HF3615-Doty (DFL)****Finance**

Morrison County; ICF/MR rate increase provided.

**HF3616-Newton (DFL)****Finance**

Waiver of overdue payments provided.

**HF3617-Clark (DFL)****Transportation & Transit Policy & Oversight Division**

Transit shelters and stops design, accessibility and maintenance regulated; access required in special transportation service buses.

**HF3618-Bly (DFL)****Finance**

Rate schedules established for certain renewable energy projects, surcharge established on electricity consumption and reports required.

**HF3619-Lesch (DFL)****Public Safety Policy & Oversight**

Disclosure required of the results of a preliminary screening test to the driver who took the test and making the results inadmissible if not disclosed.

**HF3620-Newton (DFL)****State & Local Government Operations Reform, Technology & Elections**

Flag folding guidance provided.

**HF3621-Emmer (R)****Energy Finance & Policy Division**

Public utilities, energy conservation, renewable energy and nuclear power provisions modified.

**HF3622-Brown (DFL)****Transportation & Transit Policy & Oversight Division**

Highway weight restrictions eased on vehicle hauling manure to or from a farm.

**HF3623-Atkins (DFL)****Commerce & Labor**

Debit cards required to be issued as PIN-based cards and transactions made with those cards to be processed as PIN-based transactions.

**HF3624-Hortman (DFL)****Environment Policy & Oversight**

Commercial buildings required to recycle.

**HF3625-Ruud (DFL)****Health Care & Human Services Policy & Oversight**

Approved accrediting organization definition modified.

**HF3626-Kiffmeyer (R)****State & Local Government Operations Reform, Technology & Elections**

State Canvassing Board membership authorized to be provided by law and constitutional amendment proposed.

**HF3627-Sterner (DFL)****Taxes**

Corporate franchise tax rate reduced and the JOBZ program repealed.

**HF3628-Sterner (DFL)****State & Local Government Operations Reform, Technology & Elections**

County offices authorized to be open on Saturdays, and modification

prohibited of certain collective bargaining agreements.

**HF3629-Poppe (DFL)****Finance**

Minnesota State Colleges and Universities system reorganized, salaries adjusted, central office established and age increased for free classes.

**HF3630-Murphy, E. (DFL)****Health Care & Human Services Policy & Oversight**

Commissioner of health required to develop new categories for collecting granular data that accurately captures race, ethnicity, primary language and socioeconomic status.

**HF3631-Sailer (DFL)****Finance**

Clearwater County; daily rate increased for an intermediate care facility.

**HF3632-Scalze (DFL)****Taxes**

Residential market homestead credit adjusted.

**HF3633-Scalze (DFL)****Finance**

Water pollution prevention from polycyclic aromatic hydrocarbons appropriations modified.

**HF3634-Jackson (DFL)****Health Care & Human Services Policy & Oversight**

Chiropractor license revocation required for chiropractors convicted of a felony-level criminal sexual conduct offense.

**HF3635-Hayden (DFL)****Health Care & Human Services Policy & Oversight**

Minnesota Family Investment Program provisions modified.

**HF3636-Eken (DFL)****Health Care & Human Services Policy & Oversight**

Managed care plan required to accept a housing with services facility as a provider of customized living.

**HF3637-Anderson, B. (R)****Public Safety Policy & Oversight**

Persons prohibited from allowing underage drinking under certain circumstances.

**HF3638-Loon (R)****Taxes**

Commissioner of revenue required to conduct a study of the metropolitan fiscal disparities program, and money transferred from the fiscal disparities levy to pay for the study.

**HF3639-Marquart (DFL)****State & Local Government Operations Reform, Technology & Elections**

State contracts valued at more than \$100,000 requirements established.

**HF3640-Eken (DFL)****Energy Finance & Policy Division**

Advance determination allowed for prudence determination by Public Utilities Commission for certain environmental projects of a public utility.

**HF3641-Welti (DFL)****Energy Finance & Policy Division**

Community-based energy development program modified.

**HF3642-Hosch (DFL)****Environment Policy & Oversight**

Property acquisition from petroleum tank fund proceeds provided.

**HF3643-Simon (DFL)****State & Local Government Operations Reform, Technology & Elections**

Merit selection required for all justices and judges.

**HF3644-Mack (R)****Finance**

School districts authorized to waive certain fees for children whose parents are serving in the military.

**HF3645-Anderson, S. (R)****Health Care & Human Services Policy & Oversight**

Chiropractic licensing sanctions imposed.

**HF3646-Morrow (DFL)****Transportation & Transit Policy & Oversight Division**

Job order contracts and construction manager at-risk contracts for transportation projects provided, and design-build contracts provisions modified.

**HF3647-Kohls (R)****Higher Education & Workforce Development Finance & Policy Division**

Economic development grant program expanded to certain small cities in the metropolitan area.

**HF3648-Drazkowski (R)****Civil Justice**

Surplus funds from law library fees authorized to be allotted for court facility costs, mandatory appointment of counsel eliminated in parentage actions and harassment restraining orders repealed.

**HF3649-Knuth (DFL)****Civil Justice**

Sexual equality under the law provided and constitutional amendment proposed.

**HF3650-Rosenthal (DFL)****Public Safety Policy & Oversight**

Government and peace officer unit authority granted to take into custody and impound vehicles in certain circumstances.

**HF3651-Lesch (DFL)****Civil Justice**

Data received from law enforcement agencies in other states classified.

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— K. BERGGREN

Sources: The 2009 Minnesota Census of Women in Corporate Leadership (St. Catherine University and the MN Women's Roundtable); Office on the Economic Status of Women; Minneapolis St Paul Business Journal; US Census Bureau, 2002 Economic Survey

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A NONPARTISAN PUBLICATION  
MINNESOTA HOUSE OF REPRESENTATIVES • PUBLIC INFORMATION SERVICES  
VOLUME 27, NUMBER 7 • MARCH 19, 2010

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## SESSION WEEKLY

Session Weekly is a nonpartisan publication of Minnesota House of Representatives Public Information Services. During the 2009-2010 Legislative Session, each issue reports House action between Thursdays of each week, lists bill introductions and provides other information. No fee.

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

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



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On the cover: White Earth Band of Ojibwe Elder Hereditary Chief George Eagle Sr. is followed around the Star of the North in the Capitol Rotunda by Tyson Jackson, a grass dancer. They were presenting a traditional dance March 11 to demonstrate what the Perpich Center for Arts Education is doing in the area of working with, and teaching about, Minnesota's indigenous tribes.

— Photo by: Tom Olmscheid

# Closing the gap

Piece by painful piece, lawmakers begin chipping away at the budget deficit

By Nick Busse

**I**t's only a first step, but House members will soon vote on a bill that would solve nearly one-third of the state's projected \$994 million budget deficit.

As early as March 22, the House could vote on HF1671. Sponsored by Rep. Lyndon Carlson Sr. (DFL-Crystal), the bill would cut the deficit by \$312 million. It's the first of what will likely be three budget-balancing bills this session.

In all, the bill would cut nearly \$214 million in state spending. Among the largest cuts would be reductions to local aids and credits (\$105 million), higher education (\$47 million), public safety (\$22 million) and environment and natural resources (\$13 million). The bill also includes \$98 million in mostly one-time account transfers to shore up the state's General Fund.

"I would describe it as a first major step toward balancing the budget," Carlson said.

By and large, the proposed cuts are similar to those put forth by Gov. Tim Pawlenty in his supplemental budget plan. The bill represents a deliberate effort by the House's DFL majority to find areas of agreement and compromise with the governor.

"It's a bill that is loaded with some very difficult decisions as we move forward, but we were able to — from the positive side — moderate some of the

governor's recommendations," Carlson said.

The bill represents the combined work of nine House finance divisions and the House Taxes Committee. In less than a week, 10 different bills were merged and finally

approved March 17 by the House Ways and Means Committee.

The speed at which it was put together does not reflect lawmakers' enthusiasm for the bill, however. Many lawmakers expressed misgivings about the potential impact of piling another round of budget cuts on top of last year's cuts and unallotments.

Moreover, as difficult as this round of cutting might be, the next steps could be even harder.

House DFL leaders plan to bring two more supplemental budget bills forward this session: one for K-12 education and another for health and human services. Those bills are currently

in limbo, as lawmakers await the outcome of a lawsuit that threatens to overturn the governor's unallotment of \$2.7 billion in state spending last year.

Moreover, a potential windfall in the form of expanded federal Medicare funding is currently being debated in Congress, throwing another roadblock — albeit a potentially fortuitous one — into lawmakers'

budget planning.

For now, in any case, the \$312 million supplemental budget bill before the House is giving members plenty to chew over.

## Too much or not enough?

At the March 12 hearing of the House Finance Committee, the mood in the room was subdued, almost somber, as committee members voted to combine nine finance bills that together would subtract \$207 million from the deficit.

Presenting his share of the cuts to the committee, Rep. Tom Rukavina (DFL-Virginia) tried to break up the gloom with a little levity.

"Mr. Chair, I cut exactly like you told me to, Mr. Chair. I didn't want to but I did it," Rukavina said, smirking.

"I'm not sure if I should say thank you

or not," replied Carlson, the committee chairman.

Kidding aside, Rukavina expressed regret about cuts to the state's higher education budget. His bill originally included a temporary income tax surcharge that would have raised \$43 million to shore up student financial aid. Concerned about inviting a veto from the governor, House DFL leaders urged him to drop the tax increase, and he did. Still, Rukavina said it would have been the right thing to do.

"I had a little tax increase in this bill. And Mr. Chair, you convinced me I was wrong, but I don't think I was," Rukavina said. Chin propped up on his hand, he added, "I'm not too proud of the cuts we keep making."

Others voiced stronger criticism. Rep. Bobby Joe Champion (DFL-Mpls) said he

***"I do have a concern in that I think we are continuing at least a large degree of uncertainty for local units of government by not continuing Gov. Pawlenty's unallotments"***

— Rep. Paul Kohls  
(R-Victoria)

***"We absolutely cannot deny that our actions are affecting what they're doing. I think it's just not fair to not say that this bill isn't going to make things more difficult for folks out there."***

— Rep. Ann Lenczewski  
(DFL-Bloomington)



First Reading continued on page 4

wasn't sure whether he could support the bill. He pointed to a particular student financial aid cut that he said would harm those people who needed the most support. To that, Rep. Paul Thissen (DFL-Mpls) commented, "Just wait until you see the health and human services bill."

By far, the largest cuts in HF1671 are to cities and county aid programs. At a March 16 House Taxes Committee hearing, DFL committee members lamented the cuts and the hardship they will bring to local governments — and potentially, property taxpayers.

"I want to underline again, this is not a happy day. This is not something people generally want to do," said Committee Chairwoman Rep. Ann Lenczewski (DFL-Bloomington).

While DFLers grapple with the costs and consequences of winning the governor's support for their budget bill, Republicans see a different set of problems.

For the most part, the DFL's budget plan does not include provisions to ratify Pawlenty's unallotments. Republican members argue that failure to do so will lead to a much bigger deficit in the next biennium.

At the tax committee hearing, Rep. Paul Kohls (R-Victoria) said the DFL's plan to cut local aids and credits by only \$105 million is not realistic. He said the state will probably end up having to cut more next year, forcing cities and counties to scramble, yet again, to figure out the impact on their budgets.

"I do have a concern in that I think we are continuing at least a large degree of uncertainty for local units of government by

not continuing Gov. Pawlenty's unallotments," Kohls said.

Differing philosophies regarding the proper role of government have also loomed large. Echoing Kohls' comments, Rep. Laura Brod (R-New Prague) said local governments could do more with the funding they have if the state would eliminate costly mandates to cities and counties.



PHOTO BY TOM OLMSCHIED

Rep. Loren Solberg, chairman of the House Ways and Means Committee answers a question from Rep. Torrey Westrom during a hearing of the supplemental budget March 17.

### Budget cuts: House plan vs. the governor's (numbers in millions)

FY2010-11 budget area	Base	House	Governor
Agriculture and veterans*	\$208.1	-\$6.7	-\$3.9
Cultural and outdoor resources	\$141.4	-\$2.5	-\$7.8
Early childhood education	\$398.6	-\$7.5	-\$11.6
Economic development*	\$97.1	-\$5.8	-\$39.6
Energy and commerce*	\$57.3	-\$49.8	-\$3.1
Environment and natural resources*	\$291.6	-\$16.3	-\$13.1
Health and human services***	\$8,646.6	-\$710	-\$738.9
Higher education	\$2,858.6	-\$46.7	-\$53.3
Housing and Public Health*	\$246.6	-\$6.5	-\$6.4
K-12 education	\$11,383.9	-\$1	-\$13.2
Local government aids and credits	\$3,082.7	-\$105	-\$238
Public safety*	\$1,819.2	-\$35.9	-\$35.9
State government**	\$679.6	-\$32.8	-\$40.3
Transportation*	\$192.5	-\$5.6	-\$5.1
<b>Total</b>	<b>\$30,103.8</b>	<b>-\$994.4</b>	<b>-\$999.8</b>

\* Figures include impacts of one-time account transfers.

\*\* Figures include impacts of one-time account transfers and revenue from additional tax compliance efforts.

\*\*\* Figures reflect extended federal match for Medicare funding.

Source: House Fiscal Analysis Department spreadsheets

"I wish that flexibility was part of this discussion, because I think the discussion is more than just about money; I think the discussion is about how we position the relationship between the state and the local governments," Brod said.

Rep. Keith Downey (R-Edina) went so far as to say the reductions are a good thing, because they will force local governments to scale back on bloated government services and be more accountable to their constituents.

"I like the fact that as we start to reduce these aids and credits, local units of government will be much more transparently accountable to their taxpayers for what's going on locally," he said.

Lenczewski, the tax chair, said she hopes the reductions carried in HF1671 will be the only cuts to local government aids and credits this year. Answering many of the Republican criticisms, she said the current round of cuts will be painful enough as they are.

"We absolutely cannot deny that our actions are affecting what they're doing," Lenczewski said. "I think it's just not fair to not say that this bill isn't going to make things more difficult for folks out there."



**Editor's note:** The following Highlights are coverage of select bills heard in House committees and other House activities held March 11-18. 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.

## AGRICULTURE

### Penalty for late filing

Pesticide dealer licensing fees would increase for those applying late, under a bill laid over by the House Agriculture, Rural Economies and Veterans Affairs Finance Division March 16 for possible omnibus bill inclusion.

Sponsored by Rep. Tim Faust (DFL-Mora), HF3295 would also make technical changes to pesticide applicator references; permit the agriculture commissioner to waive certain review fees for businesses that sell prepackaged foods, such as video stores; repeal the loan incentive program for Native Grasses and Wildflower Seed Production; and nonprofit farms less than 40 acres in size could use profits for educational purposes and be exempt from corporate farm land requirements.

Greg Buzicky, director of the Department of Agriculture Pesticide and Fertilizer Management Division, said about 20 of about 500 licensed dealers paid a \$20 late fee last year. Under the bill, the late fee would increase to \$75.

Rep. Al Juhnke (DFL-Willmar) called the fee increase a "pet peeve" and said there must be a "much friendlier way" to address the issue. He suggested sending a notice to a dealer that the fee would be late if it was not sent within a specified time.

Buzicky said the department does send out a notification and reminder in mid-November and in some publications.

Juhnke is also concerned about the exemption for nonprofit farms. By giving a new exemption, he said others, such as foreign- or corporate-owned farms, might question whether they should also have an exemption.

A companion, SF3021, sponsored by Sen. Steve Dille (R-Dassel), awaits action by the Senate Finance Committee.

— P. OSTBERG

### Wolf kill compensation timing

It's not uncommon for gray wolves to feast on calves. In those cases, the state will reimburse a farmer the fair market value of the livestock.

Sponsored by Rep. Dave Olin (DFL-Thief River Falls), HF3262 would add an official from the Animal and Plant Health Inspection Service of the U. S. Department of Agriculture or a peace officer from the county sheriff's office to those who could make a personal inspection of the farmer's loss.

The House Agriculture, Rural Economies and Veterans Affairs Finance Division held the bill over March 16 for possible inclusion in its omnibus bill.

Under current law, a conservation officer is permitted to complete inspection within 24 hours of the wolf kill. Olin said it becomes a problem on the weekends. "In some areas, what happens when you have only the United States Department of Agriculture people or the Department of Natural Resources, they're just not on duty on a timely basis that's required by the law to investigate a claim," Olin said.

A companion, SF2989, sponsored by Sen. LeRoy Stumpf (DFL-Plummer), awaits action by the full Senate.

— P. OSTBERG

## CONSUMERS

### Competition for cable companies

Cable and Internet providers in some parts of the state could get new competition, if a bill approved by a House division becomes law.

Sponsored by Rep. Sheldon Johnson (DFL-St. Paul), HF2852 would make it easier for telephone companies to offer "triple-play" services — voice, video and Internet — by letting local governments grant cable franchises to companies that already provide phone services within a given area.

Approved March 15 by the House Telecommunications Regulation and Infrastructure Division, the bill now goes to the House Commerce and Labor Committee.

Rep. Mike Beard (R-Shakopee), who co-sponsors the bill, said current law is unclear whether local franchise authorities

## A VIEW TO A ROOM



PHOTO BY TOM OLMSCHIED

People listen March 15 in the Supreme Court auditorium as the court hears oral arguments on Gov. Tim Pawlenty's ability to cut the projected state budget deficit by using his unallotment authority.

may allow telephone companies to provide cable services to customers without running into certain legal roadblocks meant to protect existing franchisees.

As an example, Beard said the telecommunications company Mediacom is suing the City of Prior Lake for granting a franchise to a local phone company that wants to offer cable services in part of Mediacom's service area.

"In effect, there are cities that would like to have the existing carriers offer more broadband services ... but the law, the way it's written, has a very chilling effect on what happens," Beard said.

Tony Mendoza, an attorney representing the Minnesota Cable Communications Association, called the bill "unfair and unnecessary." He noted that the lawsuit between Mediacom and Prior Lake is currently being reviewed by the Minnesota Court of Appeals, and argued the bill would usurp the court's authority.

"These types of disputes are best settled by local franchising authorities, and if necessary, on appeal to courts, where evidence and arguments from all parties can be weighed to ensure that video providers are competing under fair rules," Mendoza said.

A companion, SF2535, sponsored by Sen. D. Scott Dibble (DFL-Mpls), awaits action by the full Senate.

— N. BUSSE

## CRIME

### Vulnerable adult attack penalty

When a father in a wheelchair tried to enforce some rules with his teenage daughter, she became enraged, pushed him out of his wheelchair and assaulted him.

"Because she was not a caregiver, because she was actually 16 years old, we were only able to charge her with a misdemeanor," said St. Paul Police Sgt. Ann Bebeau.

Sponsored by Rep. Debra Hilstrom (DFL-Brooklyn Center), HF3333 would make "whoever assaults and inflicts demonstrable bodily harm on a vulnerable adult" guilty of a gross misdemeanor. That charge can now be made only if the offender is the vulnerable adult's caregiver.

Approved March 11 by the House Public Safety Policy and Oversight Committee, the bill was sent to the House Finance Committee with a recommended referral to the House Public Safety Finance Division. A companion, SF3195, sponsored by Sen. Leo Foley (DFL-Coon Rapids), awaits action by the Senate Judiciary Committee.

"When someone is vulnerable and in a

wheelchair or is not able to defend themselves it is particularly egregious," Bebeau said. "We have a responsibility to bring laws into state where we can help people that are vulnerable and not able to fight back."

Rep. Paul Kohls (R-Victoria) expressed concern that another group of people might be singled out for protection.

"If I'm assaulted, and I can show demonstrable bodily harm, that's not the same level of offense of somebody who may be confined to a wheelchair, may be classified as a vulnerable adult," he said. "We may want to provide greater protection for those individuals — I understand that — but I just think we should be cognizant of that as we move forward."

The bill was proffered by a vulnerable adult justice project at William Mitchell College of Law.

"This is a group of folks that have been working together to attempt to bring vulnerable adults into the statutes," Hilstrom said. "I agreed to carry their bill, but I think you do bring up a valid point."

— M. COOK

## EDUCATION

### Big picture for small children

Members of the School Readiness Funders Coalition, a nonpartisan group of grant-makers, told the House Early Childhood Finance and Policy Division March 11 they are willing to back legislative efforts to boost early childhood learning and care with private funding.

"We care deeply about helping our state to build a system that delivers successful results and outcomes for all children in the state of Minnesota," said Sandy Vargas, president and chief executive officer of the Minneapolis Foundation. She said coalition members reviewed "extensive research" and interviewed 175 stakeholders to determine its early childhood funding priorities: to develop statewide leadership, system accountability and track and improve outcomes.

The division held over several bills aligned with these goals for possible omnibus bill inclusion.

Rep. Bud Nornes (R-Fergus Falls) sponsors HF3471, which would direct the State Advisory Council on Early Childhood Education and Care to make recommendations about what to measure on a statewide early childhood report card about progress toward children's school readiness. Its companion, SF3131, is sponsored by Sen. Tarryl Clark (DFL-St. Cloud).

HF3470, sponsored by Division Chairwoman

Rep. Nora Slawik (DFL-Maplewood), would direct the council to recommend the best process for widespread children's health and developmental screening and assessment, with a goal of screening 50 percent of all eligible children by 2015. Sen. Sandy Rummel (DFL-White Bear Lake) sponsors a companion, SF3119.

The companion bills await action by the Senate Education Committee.

Rep. Sandra Peterson (DFL-New Hope) sponsors HF3510, which would create an Office of Early Childhood Care and Education, which she called "one of the most necessary components of our vision for the future." It would coordinate the divergent early childhood programs and services in human services, health and education departments.

The coalition also recommends continuing a child care quality rating system modeled on the Parent Aware pilot. Rep. Keith Downey (R-Edina) sponsors HF3432, which would require that quality rating expansion be approved by the Legislature and governor. Neither bill has a Senate companion.

— K. BERGGREN

### Omnibus policy bill goes forward

Minnesota's round two attempt at a successful Race to the Top application for federal grant money could be strengthened with approval of an omnibus education policy bill March 11. It would expand alternative teacher licensure and strengthen teacher preparation.

Sponsored by Committee Chairman Rep. Carlos Mariani (DFL-St. Paul), HF3163 was laid over for possible omnibus bill inclusion by the House K-12 Education Finance Division March 18.

An amendment successfully offered by Rep. Marsha Swails (DFL-Woodbury) would allow the Board of Teaching to expand its approval of certain alternative teacher licensure programs. Candidates with a bachelor's degree who pass required teacher licensure exams in skills, content and pedagogy, and are supervised and mentored, could get a limited two-year license, and could teach in the classroom as the teacher of record.

Board Director Karen Balmer said the proposal would offer the board flexibility to approve innovative programs for non-traditional candidates, such as mid-career changers, while holding them to the same ongoing competence and accountability standards as those in traditional licensure programs.

Rep. Tim Faust (DFL-Mora) said the proposal lacks a fixed number of training hours and doesn't limit teachers to teach only



in their subject specialty. “We are taking a chance of damaging our children’s future by allowing people who don’t have the degree to teach.”

However, Minnesota’s teacher licensure laws may have been a weak spot in its unsuccessful Race to the Top federal grant application, according to Rep. Mindy Greiling (DFL-Roseville), who supported the amendment. “We need the Race to the Top money,” said Greiling, who chairs the House K-12 Education Finance Division, where the bill goes next.

Rep. Jenifer Loon (R-Eden Prairie) successfully offered an amendment that would require teacher candidates to pass basic skills tests in reading, writing and math. Under current law, they can be licensed for up to three years without having passed such tests if they take remedial courses.

“I’m absolutely astounded, and had to double-check that several times ... that right now we allow someone who has not passed the basic skills tests not only to enter a teacher preparation program in college but be allowed to teach,” Loon said.

An amendment offered by Rep. Connie Doepke (R-Orono) that would update English language proficiency standards, was adopted.

A companion, SF3045, sponsored by Sen. Chuck Wiger (DFL-Maplewood), awaits action by the Senate E-12 Education Budget and Policy Division.

— K. BERGGREN

### Trust lands potential ‘gold mine’

If Minnesota follows Utah’s lead, it could grow a stealth education revenue source: its 2.5 million-acre Permanent School Fund lands.

Minnesota’s school trust lands, mostly in the state’s northern third, are from a colonial-era federal land trust that dedicated a parcel of each township to be used permanently to fund public schools.

After three years of heading a study group on Minnesota’s fund, Rep. Denise Dittrich (DFL-Champlin) told the House K-12 Education Finance Division at a March 16 informational hearing she has “formulated some serious concerns about the management and the return on investment of the school trust lands.”

Dittrich sponsors HF3475, which would establish an independent agency to oversee the management of Minnesota’s permanent school lands, now under Department of Natural Resources management.

Revenue from the Minnesota fund is expected to generate \$27 million for school districts this year mostly through mining



PHOTO BY TOM OLMSCHIED

**Margaret Bird, director of Children’s Land Alliance Supporting Schools, and Kevin Carter, director of the Utah School and Institutional Trust Lands Administration, make a presentation March 16 to the House K-12 Education Finance Division about Utah’s school trust land governance and land management practices.**

and logging activities, according to House fiscal analysts — but it could be worth tens of millions more, if Utah’s example is an indicator.

At a second informational hearing, Margaret Bird, director of Children’s Land Alliance Supporting Schools, told the House K-12 Education Policy and Oversight Committee March 16 that Utah’s fund, after reform efforts there, transformed from a “molehill” into a “gold mine” worth \$1 billion. It generates around \$150 million in school revenue annually from land sales and leases for a variety of uses including oil and gas, wind power, geothermal fields, telecommunication sites, grazing and farming.

Interest and dividend income from the Utah fund is distributed to individual schools. Its use is determined by each site’s school community council, an elected group of parents or guardians and school employees. Minnesota funds are distributed to school districts as undesignated general fund revenue.

Two House committees approved the bill and sent it to the House Rules and Legislative Administration Committee.

Sen. Chuck Wiger (DFL-Maplewood) sponsors a companion, SF3042, which awaits action by the Senate Environment and Natural Resources Committee.

— K. BERGGREN

## ELECTIONS

### Threats against candidates

Several White Bear Lake City Council candidates received an anonymous threatening e-mail message last year. The source claimed they would publish damaging information about the candidates if they continued to run for the council positions.

Sponsored by Rep. Paul Gardner (DFL-Shoreview), HF2510 would prohibit coercing a candidate running for office. The bill would make the offense subject to an administrative hearings process under the Fair Campaign Practices Act. After the administrative process is complete, a person could also face criminal charges.

Current law prohibits someone from rewarding, or promising to reward an individual, for either becoming or not becoming a candidate. It is also illegal to threaten someone to get them to vote a certain way.

Approved March 16 by the House State and Local Government Operations Reform, Technology and Elections Committee, it now goes to the House floor. A companion bill, SF2226, sponsored by Sen. Sandy Rummel (DFL-White Bear Lake), awaits action by the full Senate.

— P. OSTBERG



## EMPLOYMENT

### An employment plan for all

Companies and contractors using state bond proceeds might be required to report to the Department of Employment and Economic Development on the number of jobs created and hours worked by those specified in the bill.

Sponsored by Rep. Bobby Joe Champion (DFL-Mpls), HF3184 would require the entity's plan to include individuals who are "unemployed, especially targeting communities experiencing disproportionately high rates of unemployment including, but not limited to, disabled persons, veterans, low-income, rural, and tribal communities and communities of color."

"When we think of moving this in terms of a jobs bill, we want to make sure with an intentional plan that it reflects all of the segments of our wonderful state," Champion told the House State and Local Government Operations Reform, Technology and Elections Committee March 17, adding that federal laws already include similar preference.

Louis King, president of Summit Academy OIC, said "the sad truth is there are already laws on the books. There are already rules in place, but we struggle to implement them." He said he was told by certain state agencies that if federal funding wasn't included in the project, there is no obligation by the state to follow employment preference.

Rep. Morrie Lanning (R-Moorhead) said the bill doesn't clarify who or how a plan is determined to be adequate, and it doesn't consider different populations around the state. "Without that information it seems to me we're opening up bond recipients to the possibility of legal challenges." It could also create a problem for rural areas that don't have as much diversity, he added.

Approved by the committee, the bill now goes to the House Finance Committee with a recommended re-referral to the House State Government Finance Division. A companion, SF2809, sponsored by Sen. Linda Higgins (DFL-Mpls), awaits action by the Senate Finance Committee.

— P. OSTBERG

## ENERGY

### Energy developer seeks extra credit

A former Olmsted County landfill could morph into the Upper Midwest's largest solar farm.

Rep. Andy Welti (DFL-Plainview) sponsors HF3429 that would enable the Dairyland

Power Cooperative to produce up to five megawatts of solar energy at the closed landfill site north of Rochester.

Dairyland, which supplies energy to People's, Tri-County, and Freeborn Mower cooperatives, is seeking legislative approval to apply energy efficiency credits resulting from the project in order to meet mandated goals. The House Energy Finance and Policy Division approved the bill March 17 and sent it to the House floor.

Supporters say the project offers the triple benefit of using underutilized property, land lease payments to the state and numerous construction jobs.

Sen. Dan Sparks (DFL-Austin) sponsors the companion, SF3046, which awaits action by the full Senate.

— S. HEGARTY

## ENVIRONMENT

### House passes lottery funds bill

The House passed the Legislative-Citizen Commission on Minnesota Resources funding bill 91-39 after more than three hours of debate March 15.

Sponsored by Rep. Jean Wagenius (DFL-Mpls), HF2624 appropriates \$26 million this biennium, primarily from the state lottery's Environment and Natural Resources Trust Fund. The bill now goes to the Senate, where Sen. Ellen Anderson (DFL-St. Paul) is the sponsor.

More than 240 proposals were submitted to the commission. Of those, 85 applicants were granted a 30-minute presentation before the commission. Forty-eight projects were chosen to be funded.

Among those are:

- \$640,000 to the University of Minnesota for

the study of sources of endocrine disruptors and pharmaceuticals entering surface waters in the Zumbro River Watershed;

- \$636,000 to the University of Minnesota to assess the potential impacts of emerald ash borer on ash trees;
- \$594,000 to the Department of Health for an agreement with St. Cloud State University to study septic system discharge of pharmaceutical compounds; and
- \$425,000 for Ducks Unlimited.

An amendment successfully offered on the House floor by Rep. Tom Rukavina (DFL-Virginia) removed thousands of dollars for proposed land acquisitions, and cut partial funding to some projects and redirected the money toward state park improvements. For example, a \$915,000 appropriation to the Trust for Public Land was eliminated and funding for scientific and natural areas was reduced by \$363,900. The amendment also deleted \$2.2 million for state park acquisition and replaced it with \$4.2 million to make improvements to all existing state parks.

Rukavina said it was time to stop buying more property when a recent legislative audit revealed that the Department of Natural Resources can't afford to maintain property it already owns. The amendment does not affect the potential purchase of land for Lake Vermilion State Park.

— S. HEGARTY

### Off-highway use modifications

The regulated use of off-highway vehicles would be modified to incorporate non-resident teens and a restricted season would be added, under a bill approved March 16 by the House Environment Policy and Oversight Committee.

Sponsored by Rep. Tom Hackbarth (R-Cedar), HF3190 would limit vehicle use



PHOTO BY ANDREW VONBANK

**Rep. Jean Wagenius runs through the contents of the Legislative-Citizen Commission on Minnesota Resources funding bill during the March 15 House floor session.**

in state forest areas during the firearms deer hunting season.

The bill also would allow a non-resident age 16 or younger to ride an off-highway motorcycle on public land if the youth can show evidence of completing a safety course offered by the Motorcycle Safety Foundation. Current allowances are limited to residents. A similar provision was added for all-terrain vehicle use. Additional regulations that apply to residents would also apply to nonresidents.

The bill was sent to the House Finance Committee. Sen. Tom Saxhaug (DFL-Grand Rapids) sponsors SF2821, a companion that was scheduled to be heard March 18 by the Senate Environment, Energy and Natural Resources Budget Division.

— S. HEGARTY

### **Basin boards could assess new tax**

A plan to organize local watershed districts into regional basin boards is drawing criticism for its attempt to tax local districts in order to provide financial support for the boards.

Sponsored by Rep. Morrie Lanning (R-Moorhead), HF1734 would allow a basin board or a county to access a property tax levy throughout a river basin if a majority of the members are elected officials. The tax may not exceed 0.048 percent of the taxable market value of all property within the basin or \$1 million, whichever is less.

Lanning said the policy is needed so that water issues can be addressed from a broader perspective. Of the nine river basins in Minnesota, only three are formally organized. In his district, the Ottertail watershed has not petitioned to become formally organized and is not a board member.

The House Environment and Natural Resources Finance Division held the bill over March 18 for possible omnibus bill inclusion after members voiced concerns.

"It would be important to know if the governor supports this local tax increase," Rep. Karen Clark (DFL-Mpls) said.

Rep. Kate Knuth (DFL-New Brighton) said the proposal is a smart way to deal with water planning issues, but she's concerned about how a basin board would interact with local entities.

Sen. John Doll (DFL-Burnsville) sponsors a companion, SF2085. It awaits action by the Senate Environment and Natural Resources Committee.

— S. HEGARTY

### **Registration exemption for tribes**

A bill approved by a House committee would exempt American Indian tribal governments from registering off-highway

motorcycles and vehicles, snowmobiles, watercraft and all-terrain vehicles.

Sponsored by Rep. Lyle Koenen (DFL-Clara City), HF2957 was approved March 16 by the House Environment Policy and Oversight Committee and sent to the House Finance Committee with a recommended re-referral to the House Environment and Natural Resources Finance Division, where the fiscal impact of the bill would be noted.

Koenen said the Upper Sioux Indian Tribe in Yellow Medicine County requested to be "treated the same as other units of government." Current legislation exempts registration for the machines owned and used for U.S. and state government purposes.

Its companion, SF2541, sponsored by Sen. Gary Kubly (DFL-Granite Falls), includes language that could enable a tribal government to issue an exempted vehicle or watercraft permit to a tribal member, which could have significantly more financial impact on registration proceeds to the Department of Natural Resources. The Senate Environment, Energy and Natural Resources Budget Division was scheduled to hear the bill March 18.

— S. HEGARTY

## **FAMILY**

### **Guardian ad Litem board creation**

The oversight of a group that advocates for the best interests of children in protection and parental rights cases could change.

Sponsored by Rep. Debra Hilstrom (DFL-Brooklyn Center), HF2990 would transfer the Guardian ad Litem function from the judicial branch to an independent board. Approved March 11 by the House Public Safety Policy and Oversight Committee, it was sent to the House Finance Committee with a recommended referral to the House Public Safety Finance Division. A companion, SF2880, sponsored by Sen. Mee Moua (DFL-St. Paul), awaits action by the Senate Judiciary Committee.

The proposal is modeled after the Public Defense Board, which supervises Minnesota's public defender system.

Hilstrom said the bill would eliminate the conflict of interest between guardians, who represent the best interest of the child, but are appointed and paid for by the court system.

"Guardians ad Litem are appointed to conduct an independent investigation to determine the facts relevant to the situation of a child and family. This includes meeting with, and observing, the child in the home setting and considering the child's wishes," said State Court Administrator Sue Dosal. "They present to the court written reports

and recommendations concerning the child's best interests. ... Trust and confidence in the judicial actions and orders is dependent upon the belief in the impartiality and the fairness of the process."

The Judicial Council, the administrative policymaking authority for the state judicial branch, formed an advisory committee in 2007 to review the program and look at long-term systemic challenges and possible solutions.

"Tribal representatives, public defenders, the ombudspersons for families and mental health, and judges themselves, have expressed concern about this conflict of interest issue," Dosal said.

State appropriations currently directed to the courts to oversee the program would be transferred to the board.

— M. COOK

## **HEALTH**

### **Nuclear emissions study proposed**

Ever since Prairie Island Nuclear Plant became operational in the early 1970s, the people of the Prairie Island Indian Community have been worried. Homes on the tribe's land sit just 600 yards from more than two dozen nuclear waste storage casks.

Rep. Karen Clark (DFL-Mpls) sponsors HF3519, which would create multiple work groups to study the radiation and heat discharge coming from the plant. One group would focus on radioactive emissions and include representatives from state and local government, community groups and plant operators, Xcel Energy. The second group would be comprised of independent experts charged with studying the thermal discharge entering the Mississippi River. Both groups would be required to report back to the Legislature on how monitoring could be improved.

Clark's bill was approved by the House Housing Finance and Policy and Public Health Finance Division March 17 on an 8-4 roll call vote and sent to the House Finance Committee. A companion, SF3272, sponsored by Sen. Sharon Erickson Ropes (DFL-Winona), awaits action by the Senate Energy, Utilities, Technology and Communications Committee.

Xcel Energy is already required to monitor and report plant emissions in accordance with standards set by the U.S. Nuclear Regulatory Commission and the Minnesota Public Utilities Commission. While the Department of Health verifies Xcel's monitoring procedures, their reports are not particularly user-friendly for everyday people trying to interpret the results.



"How do we know how good this so-called 'clean energy' can be to us if we don't have an awareness of what it's actually doing to us?" asked Rep. Carolyn Laine (DFL-Columbia Heights).

Patrick Flowers, water quality manager for Xcel Energy, said the company is in the midst of preparing reports for the PUC that will address the issues facing the proposed work groups. He called approval of Clark's bill "premature" in light of the pending results.

Rep. Dan Severson (R-Sauk Rapids) agreed, asking Clark if her bill could wait.

"I just think we've asked this community to wait for several generations," Clark replied. "They're tired of waiting."

— L. RADOMSKI

### Vehicle smoking ban proposed

Smoking in vehicles where children are present would be prohibited under a bill heard by the House Health Care and Human Services Policy and Oversight Committee March 17.

Rep. Nora Slawik (DFL-Maplewood) sponsors HF379, which would allow peace officers to issue citations for the offense only if a vehicle is stopped for another violation. Slawik said she does not intend to move her bill through the committee process or add it to other legislation this year.

"The time will come — we're probably not there yet," she said.

Secondhand smoke in vehicles is particularly harmful to children because their breathing rates are faster and their developing lungs take in more toxins, said Natalie Johnson Lee, executive director of the Minnesota African/African-American Tobacco Education Network. Black children have significantly higher rates of asthma and other smoking-related conditions compared to other children, she said.

Other bill proponents, including 13-year-old Joe Chlebeck, encouraged legislators to protect young children who cannot speak for themselves. He compared riding in a smoke-filled vehicle to "being in prison and a gas chamber."

Tobacco use is the state's

top public health problem, said Dr. Edward Ehlinger, a pediatrician and president of the Twin Cities Medical Society. Patient education is part of the solution, he said, but public policies are especially effective.

"This bill would help establish and solidify the norm that exposure to secondhand smoke is a significant public health risk," Ehlinger said. "It would help teach children that we all have some responsibility to help protect the health of others."

No one spoke against the bill, though Rep. Laura Brod (R-New Prague) said future opposition could come from people who feel the legislation encroaches on private property rights.

A companion, SF359, sponsored by Sen. Sandy Pappas (DFL-St. Paul), awaits action by the Senate Health and Human Services Budget Division.

— L. RADOMSKI



PHOTO BY ANDREW VONBANK

**Natalie Johnson Lee, executive director of the Minnesota African/African-American Tobacco Education Network, testifies before the House Health Care and Human Services Policy and Oversight Committee March 17 in support of a bill that would prohibit smoking in a vehicle transporting a child.**

### Prosthetics coverage

Aaron Holm was helping a co-worker change a tire on the side of Interstate 394 in Wayzata in January 2007 when he was hit from behind by a vehicle traveling at 55 mph. The incident cost him both of his legs.

Seven months later, Holm was back at work with the help of prosthetic legs. He credits his "quick and successful recovery" to the fact that his legs were covered by workers compensation. Yet others in the limb-loss community have a harder time getting insurance coverage for their prosthetics, he said.

Rep. Maria Ruud (DFL-Minnetonka) sponsors a bill intended to help those people. As amended, HF2379 would require health plans to cover orthotic and prosthetic devices to the same extent they are covered under Medicare Part B. Coverage would be limited to devices deemed medically necessary by a health care provider, and covered repairs would need to meet certain specifications.

Ruud's bill was approved by the House Health Care and Human Services Policy and Oversight Committee March 17 and sent to the House Commerce and Labor Committee. A companion, SF2139, sponsored by Sen. John Marty (DFL-Roseville), awaits action by the Senate Health and Human Services Budget Division.

Without adequate insurance coverage, people who have lost limbs due to injury, surgery or disease are forced to pay out-of-pocket or rely on state programs, said Rick Miller, president of the Minnesota Society of Orthotists, Prosthetists and Pedorthists. Lack of proper care upfront can also lead to more expensive health problems in the future.

While the amended bill reflects concessions by supporters, the Minnesota Council of Health Plans remains opposed to the legislation because it represents a mandated benefit, said council representative Geoff Bartsh. Also, many plans already cover prosthetics under language similar to that of the bill.

Rep. Steve Gottwalt (R-St. Cloud) unsuccessfully made a motion to table the bill, saying committee members needed more time to collect information on the coverage of specific plans before moving the legislation.

— L. RADOMSKI

### Cuts to long-term care proposed

Minnesota seniors could see shifting costs and decreased services.

Rep. Larry Hosch (DFL-St. Joseph) sponsors HF3442, which proposes funding cuts and fee increases for long-term care providers as part of an effort to reduce the state deficit. The bill would also phase out the state's rate



equalization law, which prohibits nursing facilities from charging private pay residents more than residents on Medical Assistance. The repeal of the equalization law would mean facilities could set their own rates for private pay residents by 2013.

"In all honesty, it pains me to have this bill before us and to be an author of this bill," Hosch told the House Health Care and Human Services Policy and Oversight Committee March 11. He said he introduced the legislation to spur discussion on how to "spread some pain to those who are most able to address it."

The committee approved the bill and sent to the House Health Care and Human Services Finance Division, which held it over March 17 for possible omnibus bill inclusion. It has no Senate companion.

Under Hosch's bill, nursing assistants and personal care assistants would be required to pay an annual \$50 registration fee; assisted living facilities would see their licensing fees increase as reimbursement rates decrease; and some Medical Assistance patients would have restricted access to personal care assistance services.

"This bill will negatively impact every portion of the spectrum of older adult services, leaving Minnesota in a worse position to provide care and services to our seniors," said Kari Thurlow, vice president of advocacy for Aging Services of Minnesota. However, Thurlow and several others who testified against the bill said repealing rate equalization would be a good thing for cash-strapped nursing homes.

Rep. Diane Loeffler (DFL-Mpls) said she is concerned repealing rate equalization would prompt more people to "play the game" of spending down savings or transferring assets to get on Medical Assistance and avoid higher out-of-pocket costs.

— L. RADOMSKI

## HIGHER EDUCATION

### MnSCU reforms proposed

The Minnesota State Colleges and Universities system's central office would undergo a series of reforms, under a bill discussed March 18 by members of a House division.

The House Higher Education and Workforce Development Finance and Policy Division held a hearing, but took no action, on HF3616. Sponsored by Rep. Jean Poppe (DFL-Austin), the bill would define the central office's purpose in statute and make a number of changes to its administrative policies.

The bill would cap salaries of future MnSCU chancellors, vice-chancellors and presidents at \$120,303 — the same salary as the governor. It would also take steps to eliminate duplication of services between the central offices and individual institutions, and ensure that services are delivered primarily at the institution level.

Other provisions include:

- forbidding MnSCU from charging colleges or universities for budget reductions made to the central office;
- requiring the board of trustees to develop and implement a plan to improve the credit transfer process between institutions; and
- phasing out the system's "Centers of Excellence" initiative.

Poppe said the bill is meant to address issues outlined in a recent report from the Office of the Legislative Auditor. She said the state's budget problems require MnSCU to deliver its services more efficiently, and with a greater focus on teaching.

Members of faculty and staff organizations testified in favor of some sections of the bill, but opposed others. Chancellor James McCormick said MnSCU needs time to implement changes recommended by the OLA report, and noted that the report did not recommend legislative actions.

There is no Senate companion.

— N. BUSSE

## HOUSING

### Help for blighted neighborhoods

Several cities now have the ability to use tax increment financing to develop certain types of housing. This authority could be extended to help communities address vacant and blighted housing due to foreclosure.

Rep. Joe Mullery (DFL-Mpls) sponsors HF2511, which was held over March 15 by the House Taxes Committee for possible omnibus bill inclusion. Similar provisions of the bill are being carried in HF2695, termed the omnibus tax "jobs" bill, which was also laid over by the committee.

Jennifer O'Rourke, a lobbyist at the League of Minnesota Cities, said cities are not looking to take over housing, but there are some significant issues related to blighted housing stock that they are trying to address.

The bill would permit additional use of TIF to include "acquisition, rehabilitation or demolition of moderate priced housing (up to 150 percent of the average market value in the city), that is vacant structurally substandard or in foreclosure."

"I don't have a problem dealing with foreclosed properties or expanding the

number of communities that could be eligible," said Rep. Diane Loeffler (DFL-Mpls). However, she would like to see the language more focused on depressed areas that need redevelopment.

"I'm not sure about being able to develop housing that does not exceed 150 percent of the market value in the city. There can be really wild disparities in the city. I could see a part of the city where the average sale price is \$300,000 and all of a sudden we are using this to build \$450,000 homes. I don't think that is really what this is intended to do," she said.

Mullery said the language could be clarified to address the concern.

A companion, SF2255, sponsored by Sen. Ann Rest (DFL-New Hope), was scheduled to be heard by the Senate Taxes Committee March 18.

— L. SCHUTZ

## HUMAN SERVICES

### Increased alcohol taxes proposed

Increased taxes on alcoholic beverages would be used to fund alcohol abuse-related expenses, under two bills held over by the House Health Care and Human Services Finance Division for possible omnibus bill inclusion.

Minnesota imposes two types of special taxes on alcoholic beverages: a fixed excise tax on manufacturers or wholesalers that varies by beverage type, and a gross receipts tax of 2.5 percent on off-sale and on-sale retailers. Rep. Karen Clark (DFL-Mpls) sponsors two bills that would increase both taxes in order to provide funding for chemical dependency treatment and law enforcement costs related to substance abuse.

HF1896 would double the gross receipts tax on retailers, with half of the proceeds going to the General Fund and half going to an "alcohol health and judicial impact fund." The impact fund would help local governments cover alcohol-related expenses, like the cost of incarcerating DWI offenders.

"We are talking about a user fee," Clark told the division March 16. " (It) begins to pay for some of the incredible costs that are associated in our society and in our state with alcohol and chemical abuse."

The second bill, HF2125, would increase the excise tax on manufacturers and set new procedures for chemical dependency treatment.

State costs associated with untreated alcohol and substance abuse are far-reaching, said Carol Falkowski, director of the Alcohol and Drug Abuse Division of the Department of Human Services. Untreated abuse can

threaten public safety, compromise parenting, disrupt education, increase demands on the health care system and impair a person's ability to keep steady employment, she said. A Columbia University study found Minnesota spent \$2.8 billion on substance abuse and addiction in 2005.

The alcoholic beverage industry is already "uniquely taxed," with total taxes reaching \$300 million in 2008, said Joseph Bagnoli, an attorney representing a coalition of alcohol beverage providers and producers. He said the industry is being singled out, despite the fact that alcohol has no health detriments when used properly.

A companion to the gross receipts tax bill, SF3200, sponsored by Sen. Linda Berglin (DFL-Mpls), awaits action by the Senate Commerce and Consumer Protection Committee. Sen. Steve Murphy (DFL-Red Wing) sponsors SF1617, a companion to the excise tax bill. It was part of last year's vetoed omnibus tax bill.

— L. RADOMSKI

## INDUSTRY

### Appraisal companies regulated

Appraisal management companies are becoming more common in Minnesota, and a bill headed to the House floor would regulate the growing industry.

Appraisal management companies offer real estate appraisal services through a business organization rather than individual appraisers. Wendy Walker, president of the North Star chapter of the Appraisal Institute, said their use is growing both statewide and nationally.

Walker said AMCs are becoming more popular because of the adoption of the Home Valuation Code of Conduct by government-sponsored mortgage buyer Freddie Mac. She said the idea is to keep lenders separated from appraisers by having a third party administer the appraisals.

However, Walker said the growth of the industry has led to issues such as appraisers losing their licenses and then turning around and starting an AMC.

Sponsored by Rep. Al Juhnke (DFL-Willmar), HF3122 would regulate the industry, establish licensing requirements and fees, and put AMCs under the purview of the Commerce Department.

The House Commerce and Labor Committee approved the bill March 16 and sent it to the House floor.

Timothy O'Brien, representing the Title/Appraisal Management Association, said the industry supports the bill, calling it a

"reasonable" proposal that "supports the best interests of our industry."

A companion, SF3043, sponsored by Sen. Ray Vandever (R-Forest Lake), has been laid over for possible omnibus inclusion by the Senate Economic Development and Housing Budget Division.

— N. BUSSE

## INSURANCE

### Hearings for insurance rate hikes

Health insurers who increase their rates more than 8 percent might be required to hold public hearings before doing so.

A bill that would require insurance companies to hold one or more hearings before the Commerce Department approves the rate increase was laid over by a House committee.

The House Commerce and Labor Committee held a hearing on the HF3534 March 16. Rep. Carolyn Laine (DFL-Columbia Heights), the bill's sponsor, asked Committee Chairman Rep. Joe Atkins (DFL-Inver Grove Heights) to lay the bill over after several members raised objections.

Laine argued the bill would help educate the public about why insurance companies are increasing their rates, as well as "give the consumers a voice" in the process.

"There's a feeling that we have nothing to say about (the rate increases) and we don't quite understand why they're happening," Laine said.

Noting a requirement in the bill that insurance companies pay for the cost of the hearings, Laine argued taxpayers would not be impacted. Some members disputed that claim, however.

House Minority Leader Kurt Zellers (R-Maple Grove) said the bill would drive up insurance rates by forcing companies to pay for potentially hundreds of public hearings around the state.

"The actual idea that you have here is trying to lower health insurance costs, but you're actually going to add to them," he said.

Rep. Greg Davids (R-Preston) argued that the bill is essentially pointless because people who attend the hearings can't do anything about the rate increases anyway.

"They can go and yell at the meetings, but if the Department of Commerce, through actuarial studies, says that this rate increase is justified, guess what: the rates are going to go up," Davids said.

Members also noted that the department may have to hire additional employees just to oversee the hearings.

A companion, SF3095, sponsored by Sen. John Doll (DFL-Burnsville), awaits action by the full Senate.

— N. BUSSE

## LAW

### Juvenile delinquency continuance

Provisions regarding juvenile delinquency could change, including stays of adjudication and the continuance period allowed.

Sponsored by Rep. Joe Mullery (DFL-Mpls), HF2707 would permit a judge to stay the adjudication of delinquency and continue a case for up to 180 days if it is in the best interest of the child and public safety, and the child has admitted to the allegation. Current law is 90 days. The bill would also permit a court, with consent of the prosecutor, to renew the case for an additional period up to the child's 19th birthday.

Approved March 11 by the House Public Safety Policy and Oversight Committee, the bill awaits action on the House floor. A companion, SF2788, sponsored by Sen. Mee Moua (DFL-St. Paul), has been included in an omnibus judiciary bill.

"When we have control of the juvenile, they are placed under a stay of adjudication and often given treatment, often given requirements to their activities," said Mullery, who worked with county attorneys, probation officers and public defenders on the bill.

Under a stay of adjudication, a conviction will not go on the offender's record if he or she completes all court-ordered conditions.

Other provisions include the right to take DNA from juveniles receiving a stay of adjudication of delinquency for 10 crimes, including assault, robbery, criminal sexual conduct and murder.

Doug Johnson, co-chair of the Juvenile Law Committee of the Minnesota County Attorneys Association, said the association supports the bill.

"The courts have not been consistent in when to stay adjudication for juveniles. This bill answers that concern," he said. "Juvenile sex offenders have not received treatment because they received stays of adjudication and been discharged after six months. This bill answers that concern. ... Juveniles who receive a stay of adjudication do not have to give a DNA sample. This answers that concern. Juveniles who receive a stay of adjudication for committing a crime of violence were not prohibited from possessing a gun. This answers that concern."

— M. COOK



## DISABILITY MESSAGE



PHOTO BY TOM OLMSCHIED

**Imani, 12, who has cerebral palsy, signs a message outside the governor's office March 17 urging Gov. Tim Pawlenty not to balance the state budget on the backs of people with disabilities. Brigette Menger-Anderson, personal assistant services program manager with the Metropolitan Center for Independent Living, provides some assistance.**

## LOCAL GOVERNMENT

### 4-H funding options raised

4-H programs are a mainstay of youth activity, according to Washington County Agricultural Society Executive Director David Olson, and they drive attendance at the county fair he organizes every year.

When the county board of commissioners eliminated 4-H funding as a budget-cutting

measure, "It threw us into a tailspin," Olson told the House Local Government Division March 15. Cities and towns flooded the board with resolutions "saying 4-H was a very important part of the country fabric," but the county did not change its decision.

Rep. Julie Bunn (DFL-Lake Elmo) sponsors a bill that would create alternative sources of revenue for 4-H programs. Because the University of Minnesota Extension Service requires 4-H programs to employ at least a

half-time extension educator, HF3392 would allow the service to authorize 4-H participant fees to be used for that staff salary.

Rep. Mark Buesgens (R-Jordan) is concerned that the bill would mandate participant fees, which Bunn said was not her intent, which is that fees would be for that purpose if charged.

The bill would also permit cities and towns to appropriate money for county extension programs, countering a long-standing legal opinion against the practice. Olson said that a 1941 attorney general opinion found that municipalities should not contribute to county extension work, although there is no law prohibiting them from doing so.

"We're trying to provide some more flexibility (so) that as we're trying to get through these tough times we won't lose important institutions, of which 4-H is one," Bunn said. "We want to make sure they survive this period of time."

A companion, SF2941, sponsored by Sen. Kathy Saltzman (DFL-Woodbury), awaits action by the Senate Finance Committee.

— K. BERGGREN

### Bridge plans swing forward

**Signed  
by  
the  
governor**

The Rock Island Swing Bridge, built in 1895, was the last operating bridge of its kind with a design that had cars use the bottom deck, while trains used the top deck. It was closed in 1999 and ordered removed by the U.S. Coast Guard in 2001.

Owned by the City of Inver Grove Heights, plans to convert the bridge into a recreational pier can move forward thanks to a new law signed by the governor March 14, and effective the following day.

Efforts to save the bridge from the scrap heap began last year after a law was enacted to allow for a two-year moratorium on the bridge's demise, giving planners time to raise funds for redevelopment of the area. The efforts took less than a year.

According to the city's Web site, the plan includes refurbishing the existing spans, and constructing two new spans to connect the pier to shore. A nearby park is also planned.

The law is sponsored by Rep. Joe Atkins (DFL-Inver Grove Heights) and Senate President James Metzen (DFL-South St. Paul).

HF2485/SF2253\*/CH188

— L. SCHUTZ

If you have Internet access, visit the Legislature's Web page at: [www.leg.mn](http://www.leg.mn)



## MILITARY

### Interest-free loans for veterans

Soldiers returning home from duty could get an interest-free government loan to help start a business, under a bill that was laid over March 16 by a House division.

Sponsored by Rep. Jerry Newton (DFL-Coon Rapids), HF3570 would provide veterans the chance to apply for a loan of up to \$20,000 from the Department of Employment and Economic Development. The House Higher Education and Workforce Development Finance and Policy Division held it over for possible inclusion in its omnibus policy bill.

Rather than fund the program with new state spending, the bill would open up an existing DEED revolving fund established in 2008. The fund is currently used to make interest-free loans to help businesses cope when their employees are called to active-duty military service.

The loans would only be made available to veterans who served in active duty at any time on or after Sept. 11, 2001.

John Baker, a lawyer and retired U.S. Marine Corps gunnery sergeant, said the bill would help veterans get a "leg up" as they return home and enter the competitive civilian job market.

"We've got our next 'Greatest Generation' of veterans coming back from these wars in Iraq and Afghanistan, and I think they ought to be our next 'Greatest Generation' of business and community leaders," Baker said.

Jeff Nelson, a DEED loan officer who administers the current loan program, said the fund still has about \$280,000 available out of its original \$400,000 appropriation — plenty of room to expand. Since the current program's inception, Nelson said he has received several phone calls from veterans asking if they could qualify for a loan by starting a new business.

A companion, SF2988, sponsored by Sen. Linda Higgins (DFL-Mpls), was amended and recommended to pass March 16 by the Senate Agriculture and Veterans Budget and Policy Division.

— N. BUSSE

## SAFETY

### Salvia divinorum possession

Salvia divinorum is becoming the drug of choice for more teenagers and twentysomethings.

A bill awaiting action on the House floor calls for a person who sells any amount of salvia divinorum to be guilty of a gross misdemeanor;

a person who possesses the substance would be guilty of a misdemeanor.

Sponsored by Rep. Morrie Lanning (R-Moorhead), HF2975 was approved March 11 by the House Public Safety Policy and Oversight Committee. A companion, SF2773, sponsored by Sen. Bill Ingebrigtsen (R-Alexandria), awaits action by the Senate Judiciary Committee.

Coming from a Mexican herb and known for its hallucinogenic effects that are often compared to LSD, salvia divinorum is either chewed or smoked. Its effects include perceptions of bright lights and vivid colors, uncontrolled laughter and hallucinations. Harmful physical effects may include lack of coordination, dizziness and slurred speech.

Its use is illegal in 17 states, and 10 others are considering action, Lanning said. "This is a felony in North Dakota, it's a felony in certain aspects in South Dakota, and Wisconsin just passed making this drug illegal. Minnesota is an island, so hopefully we'll fix that."

Moorhead Police Chief Dave Ebinger said local head shops sell salvia divinorum. "These shops represent themselves as tobacco shops and restrict anyone under the age of 18 from entering; however, this material in question can be purchased there, can be brought out and be provided easily through sale or just given to anyone of any age. ... We have more consequences attached to providing a pack of Marlboros to a 10 year old. We have no consequences attached to this substance."

Carol Falkowski, director of the Alcohol and Drug Abuse Division of the Department of Human Services, said federal authorities are aware of the drug, but they do not have "a preponderance of evidence about negative consequences."

She said a 2009 national survey indicated 5.9 percent of high school seniors had used salvia divinorum, more than have used the drug ecstasy.

— M. COOK

## STATE GOVERNMENT

### State agencies cuts proposed

State departments and agencies could see a combined \$32.8 million cut.

Sponsored by Rep. Phyllis Kahn (DFL-Mpls), the omnibus state government finance bill, HF3449, would not cut as deep as Gov. Tim Pawlenty proposes in his supplemental budget. He recommends a \$40.3 million cut to state government, including an additional \$9 million cut to the operational budgets of state agencies.

The House Finance Committee incorporated HF3449 into its supplemental budget bill,

HF1671, March 12. That bill is scheduled to be on the House floor on March 22.

Provisions in the bill would require the commissioner of Minnesota Management & Budget to reduce an additional \$2.6 million from state agency operating budgets. The savings could be achieved from reducing rental space, out-of-state travel, energy usage in state buildings and contracts for professional or technical services; through increased employee telecommuting; and by consolidating information technology functions.

The bill would also require the state's chief information officer to appoint a state webmaster to supervise and develop state Web sites; the House could accept voluntary donations to support broadcast and print media, such as Session Weekly magazine; and parking in front of the Capitol would be designated as public metered parking. Senators and staff now pay to use the spots.

More than a dozen amendments were offered when the House State Government Finance Division heard the bill March 11.

Rep. Mary Kiffmeyer (R-Big Lake) unsuccessfully offered one that would have required each state agency to prepare their budget based on zero-based budgeting every two years. She followed the concept the last two years when she was secretary of state. It helped decide new office duties, she said.

Many committee members agreed in concept, but said it would take a considerable amount of time.

A companion, SF3134, sponsored by Sen. Don Betzold (DFL-Fridley), awaits action by the Senate Finance Committee.

— P. OSTBERG

### Preferred lodging bill defeated

A bill to require state employees, legislators and constitutional officers to stay in "clean" hotels while traveling on state business failed March 17 in the House State and Local Government Operations Reform, Technology and Elections Committee.

Sponsored by Rep. Larry Haws (DFL-St. Cloud), HF3287 would require that sites used by state agencies for conferences, meetings, education and training sessions and similar events be required to have adopted "clean hotel policies and procedures" that eliminate pornography that "exploits its subjects by eroticizing domination, degradation, or violence."

Haws said the impetus for the bill came from the Department of Health's Sexual Violence Prevention Program. "This is a setting of an example."

Donna Dunn, executive director for Minnesota Coalition Against Sexual Assault,

said 61,000 Minnesotans are victims of sexual violence per year with an \$8 billion economic impact. "(The bill) is a no-cost step that the state can take toward keeping the harm from happening in the first place and toward making sexual violence prevention a priority," she said.

Dave Siegel, president and CEO of Hospitality Minnesota, said many hotels have 5-7 year contracts with pay-per-view companies that supply the pornography. It could cost thousands of dollars per month if a hotel is forced to break a contract, he said.

Siegel said, the vast majority of pornography is viewed online, not in hotels.

A companion, SF2861, sponsored by Sen. Tarryl Clark (DFL-St. Cloud), awaits action by the full Senate.

— P. OSTBERG

### Whistleblower protection

Some state employees would be protected by whistleblower protection laws under a bill approved by the House State and Local Government Operations Reform, Technology and Elections Committee March 16.

Sponsored by Rep. Diane Loeffler (DFL-Mpls), HF1531 would give state employees protection for providing "timely, professional assistance to both executive and legislative decision makers and their staff in understanding the current service and finance system and the potential impact of changes on these systems."

Loeffler said there has been a growing perception that "a member of the state agency is a member of the 'executive team' as opposed to the 'legislative team' and there is some act of disloyalty in helping us with our information."

Loeffler said she's called for information and had state agency staff tell her "I'm not allowed to talk to legislators." Sometimes it has taken weeks to get information that would have been relevant weeks earlier for a committee hearing, she added.

The bill, awaiting action by the House Civil Justice Committee, clarifies that if requests spark workload concerns, it would be mediated by management staff in a manner that does not disadvantage decision makers, "but allows for balanced support and adequate attention to the ongoing responsibilities of the agency."

A companion, SF271, sponsored by Sen. Mary Olson (DFL-Bemidji), awaits action by the full Senate.

— P. OSTBERG

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## TECHNOLOGY

### Science and technology authority

The state faces a competitiveness crisis, according to the Minnesota Science and Technology Economic Development Project Committee. And help is needed to coordinate federal funding efforts to benefit small- to medium-sized science and technology-based businesses.

Sponsored by Rep. Tim Mahoney (DFL-St. Paul), HF3389 would establish the Minnesota Science and Technology Authority to develop and implement a comprehensive science and technology economic development strategy for the state.

"Minnesota lags in its commercialization of research and development and technology-based economic development," Mahoney said. He hopes the authority will help make Minnesota start-up companies competitive. The authority would:

- coordinate public and private efforts to procure federal funding for research and development projects;
- promote contractual relationships between businesses that receive federal grants and prime contractors and Minnesota-based subcontractors;
- work with higher education institutions and nonprofits to promote collaborative efforts to respond to federal funding opportunities;
- develop a framework for Minnesota companies to establish sole-resource relationships with federal agencies; and
- provide grants and financial assistance to eligible recipients.

A 17-member advisory commission would oversee the authority.

Rep. Mary Kiffmeyer (R-Big Lake) said she is concerned with the "broad authority," such as collecting fees, being able to accept gifts and the ability to take legal action over contracts and agreements.

Approved March 16 by the House State and Local Government Operations Reform, Technology and Elections Committee, it awaits action by the House Finance Committee. A companion, SF3014, sponsored by Sen. Kathy Saltzman (DFL-Woodbury), awaits action by the Senate Economic Development and Housing Budget Division.

— P. OSTBERG

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## TRANSPORTATION

### Vehicle impounded if driver arrested

A 2008 Minnesota Supreme Court case could mean a change to vehicle impoundment laws.

In *State v. Gauster*, the court ruled that an inventory search of a vehicle was unreasonable under the Fourth Amendment because police improperly impounded the vehicle of a person cited, but not arrested.

Sponsored by Rep. Paul Rosenthal (DFL-Edina), HF3650 would allow a peace officer to impound a vehicle when the driver "is arrested or taken into custody and another means of safely dealing with the vehicle is not immediately available."

If there is another capable driver in the same vehicle, that person could take the vehicle off the roadway.

It would require an officer to articulate that they are towing the vehicle for some safety-related reason, said Jim Franklin, executive director of the Minnesota Sheriff's Association. He noted it may not be reasonable to wait an hour for someone to retrieve a car left on a freeway in an ice storm versus a vehicle left along a rural county road.

"I think it'll be useful for law enforcement," said Rep. Paul Kohls (R-Victoria).

Approved March 16 by the House Public Safety Policy and Oversight Committee, the bill awaits action by the House Transportation and Transit Policy and Oversight Division. A companion, SF2707, sponsored by Sen. Steve Murphy (DFL-Red Wing), awaits action by the full Senate.

Lance Klatt, executive director of the Minnesota Service Station Association, said that since the court decision, there has been "significant confusion" by law enforcement and tow companies as to when a vehicle can be towed.

Rep. Gail Kulick Jackson (DFL-Milaca) asked who pays the towing charge if the driver is acquitted or the charges are dropped.

"This often becomes part of the plea bargain negotiations for the dismissal," Franklin said. "In cases I've been involved in, we, the law enforcement agency, have reimbursed or paid the tow for them when the charges have been dismissed. . . . It is usually resolved in some amicable way."

— M. COOK

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# Minnesota Legislators 2010

## House of Representatives

District	Member/Party	Room*	Phone 651-296-	District	Member/Party	Room*	Phone 651-296-
48B	Abeler, Jim (R)	203	1729	34A	Kohls, Paul (R)	313	4282
19A	Anderson, Bruce (R)	295	5063	50A	Laine, Carolyn (DFL)	407	4331
13A	Anderson, Paul (R)	239	4317	9A	Lanning, Morrie (R)	259	5515
43A	Anderson, Sarah (R)	217	5511	40B	Lenczewski, Ann (DFL)	509	4218
3A	Anzelc, Tom (DFL)	417	4936	66A	Lesch, John (DFL)	537	4224
39B	Atkins, Joe (DFL)	503	4192	30A	Liebling, Tina (DFL)	553	0573
35A	Beard, Michael (R)	207	8872	1B	Lieder, Bernard (DFL)	423	5091
43B	Benson, John (DFL)	517	9934	55A	Lillie, Leon (DFL)	369	1188
57A	Bigham, Karla (DFL)	353	4342	59A	Loeffler, Diane (DFL)	349	4219
25B	Bly, David (DFL)	557	7065	42B	Loon, Jenifer (R)	311	7449
25A	Brod, Laura (R)	291	4229	37A	Mack, Tara (R)	321	5506
27A	Brown, Robin (DFL)	337	8216	22A	Magnus, Doug (R)	253	5505
23B	Brynaert, Kathy (DFL)	421	3248	67A	Mahoney, Tim (DFL)	591	4277
35B	Buesgens, Mark (R)	307	5185	65B	Mariani, Carlos (DFL)	563	9714
56A	Bunn, Julie (DFL)	521	4244	9B	Marquart, Paul (DFL)	597	6829
45B	Carlson Sr., Lyndon (DFL)	479	4255	38A	Masin, Sandra (DFL)	527	3533
58B	Champion, Bobby Joe (DFL)	329	8659	53B	McFarlane, Carol (R)	223	5363
61A	Clark, Karen (DFL)	471	0294	57B	McNamara, Denny (R)	255	3135
24B	Cornish, Tony (R)	281	4240	40A	Morgan, Will (DFL)	411	4212
31B	Davids, Greg (R)	283	9278	23A	Morrow, Terry (DFL)	415	8634
62A	Davnie, Jim (DFL)	545	0173	58A	Mullery, Joe (DFL)	367	4262
52B	Dean, Matt (R)	287	3018	10B	Murdock, Mark (R)	213	4293
29A	Demmer, Randy (R)	245	9236	64A	Murphy, Erin (DFL)	413	8799
52A	Dettmer, Bob (R)	251	4124	6B	Murphy, Mary (DFL)	343	2676
6A	Dill, David (DFL)	571	2190	46A	Nelson, Michael V. (DFL)	569	3751
47A	Dittrich, Denise (DFL)	371	5513	49B	Newton, Jerry (DFL)	331	5369
33B	Doepke, Connie (R)	215	4315	10A	Nornes, Bud (R)	277	4946
12B	Doty, Al (DFL)	433	4247	29B	Norton, Kim (DFL)	387	9249
41A	Downey, Keith (R)	323	4363	38B	Obermueller, Mike (DFL)	335	4128
28B	Drazkowski, Steve (R)	247	2273	1A	Olin, Dave (DFL)	593	9635
17A	Eastlund, Rob (R)	243	5364	11B	Otremba, Mary Ellen (DFL)	445	3201
2A	Eken, Kent (DFL)	575	9918	64B	Paymar, Michael (DFL)	543	4199
19B	Emmer, Pat (R)	301	4336	31A	Pelowski Jr., Gene (DFL)	491	8637
20A	Falk, Andrew (DFL)	431	4228	32A	Peppin, Joyce (R)	279	7806
8B	Faust, Tim (DFL)	567	0518	4A	Persell, John (DFL)	529	5516
26B	Fritz, Patti (DFL)	551	8237	45A	Peterson, Sandra (DFL)	345	4176
53A	Gardner, Paul (DFL)	581	2907	27B	Poppe, Jeanne (DFL)	487	4193
36B	Garofalo, Pat (R)	221	1069	7B	Reinert, Roger (DFL)	429	4246
15A	Gottwalt, Steve (R)	231	6316	41B	Rosenthal, Paul (DFL)	393	7803
54A	Greiling, Mindy (DFL)	381	5387	5A	Rukavina, Tom (DFL)	477	0170
24A	Gunther, Bob (R)	289	3240	42A	Ruud, Maria (DFL)	515	3964
48A	Hackbarth, Tom (R)	309	2439	2B	Sailer, Brita (DFL)	577	4265
22B	Hamilton, Rod (R)	209	5373	51A	Sanders, Tim (R)	315	4226
39A	Hansen, Rick (DFL)	401	6828	54B	Scalze, Bev (DFL)	451	7153
66B	Hausman, Alice (DFL)	453	3824	49A	Scott, Peggy (R)	225	4231
15B	Haws, Larry (DFL)	473	6612	21A	Seifert, Marty (R)	233	5374
61B	Hayden, Jeff (DFL)	539	7152	5B	Sertich, Anthony "Tony" (DFL)	459	0172
46B	Hilstrom, Debra (DFL)	379	3709	14A	Severson, Dan (R)	261	7808
8A	Hilty, Bill (DFL)	559	4308	18A	Shimanski, Ron (R)	227	1534
36A	Holberg, Mary Liz (R)	303	6926	44A	Simon, Steve (DFL)	375	9889
34B	Hoppe, Joe (R)	317	5066	55B	Slawik, Nora (DFL)	403	7807
60B	Hornstein, Frank (DFL)	437	9281	63B	Slocum, Linda (DFL)	501	7158
47B	Hortman, Melissa (DFL)	377	4280	33A	Smith, Steve (R)	271	9188
14B	Hosch, Larry (DFL)	565	4373	3B	Solberg, Loren (DFL)	443	2365
4B	Howes, Larry (R)	201	2451	37B	Sternier, Phillip (DFL)	523	4306
7A	Huntley, Thomas (DFL)	585	2228	56B	Swails, Marsha (DFL)	409	1147
16A	Jackson, Gail Kulick (DFL)	531	6746	65A	Thao, Cy (DFL)	359	5158
67B	Johnson, Sheldon (DFL)	549	4201	63A	Thissen, Paul (DFL)	351	5375
13B	Juhnke, Al (DFL)	485	6206	51B	Tillberry, Tom (DFL)	583	5510
59B	Kahn, Phyllis (DFL)	365	4257	21B	Torkelson, Paul (R)	211	9303
17B	Kalin, Jeremy (DFL)	579	5377	18B	Urdahl, Dean (R)	237	4344
26A	Kath, Kory (DFL)	357	5368	62B	Wagenius, Jean (DFL)	449	4200
60A	Kelliher, Margaret Anderson (DFL)	463	0171	12A	Ward, John (DFL)	533	4333
28A	Kelly, Tim (R)	241	8635	30B	Walti, Andy (DFL)	389	4378
16B	Kiffmeyer, Mary (R)	229	4237	11A	Westrom, Torrey (R)	273	4929
50B	Knuth, Kate (DFL)	507	0141	44B	Winkler, Ryan (DFL)	525	7026
20B	Koenen, Lyle (DFL)	439	4346	32B	Zellers, Kurt (R)	267	5502



## Senate

District/Member/Party			Phone 651-296-	District/Member/Party			Phone 651-296-
	Room*				Room*		
66	Anderson, Ellen R. (DFL)	120 Cap.	5537	54	Marty, John (DFL)	328 Cap.	5645
6	Bakk, Thomas M. (DFL)	226 Cap.	8881	39	Metzen, James P. (DFL)	322 Cap.	4370
61	Berglin, Linda (DFL)	309 Cap.	4261	41	Michel, Geoff (R)	133 SOB	6238
51	Betzold, Don (DFL)	111 Cap.	2556	67	Moua, Mee (DFL)	120 Cap.	5285
43	Bonoff, Terri E. (DFL)	325 Cap.	4314	28	Murphy, Steve (DFL)	325 Cap.	4264
38	Carlson, Jim (DFL)	G-9 Cap.	7-8073	17	Olseen, Rick E. (DFL)	G-24 Cap.	5419
50	Chaudhary, Satveer S. (DFL)	205 Cap.	4334	33	Olson, Gen (R)	113 SOB	1282
15	Clark, Tarryl (DFL)	208 Cap.	6455	4	Olson, Mary A. (DFL)	124 Cap.	4913
64	Cohen, Richard J. (DFL)	121 Cap.	5931	34	Ortman, Julianne E. (R)	125 SOB	4837
25	Dahle, Kevin (DFL)	320 Cap.	1279	65	Pappas, Sandra L. (DFL)	120 Cap.	1802
60	Dibble, D. Scott (DFL)	111 Cap.	4191	36	Pariseau, Pat (R)	117 SOB	5252
18	Dille, Steve (R)	103 SOB	4131	26	Parry, Mike (R)	115 SOB	9457
40	Doll, John (DFL)	G-9 Cap.	5975	59	Pogemiller, Lawrence J. (DFL)	235 Cap.	7809
31	Erickson Ropes, Sharon L. (DFL)	G-24 Cap.	5649	7	Prettner Solon, Yvonne (DFL)	G-9 Cap.	4188
14	Fischbach, Michelle L. (R)	145 SOB	2084	45	Rest, Ann H. (DFL)	205 Cap.	2889
16	Fobbe, Lisa (DFL)	306 Cap.	8075	35	Robling, Claire A. (R)	143 SOB	4123
47	Foley, Leo T. (DFL)	G-24 Cap.	4154	24	Rosen, Julie A. (R)	109 SOB	5713
21	Frederickson, Dennis R. (R)	139 SOB	8138	53	Rummel, Sandy (DFL)	323 Cap.	1253
37	Gerlach, Chris (R)	129 SOB	4120	56	Saltzman, Kathy L. (DFL)	306 Cap.	4166
13	Gimse, Joe (R)	105 SOB	3826	3	Saxhaug, Tom (DFL)	124 Cap.	4136
42	Hann, David W. (R)	127 SOB	1749	46	Scheid, Linda (DFL)	G-9 Cap.	8869
58	Higgins, Linda (DFL)	328 Cap.	9246	29	Senjem, David H. (R)	147 SOB	3903
11	Ingebrigtsen, Bill G. (R)	123 SOB	7-8063	23	Sheran, Kathy (DFL)	G-24 Cap.	6153
49	Johnson, Debbie J. (R)	135 SOB	3219	57	Sieben, Katie (DFL)	321 Cap.	7-8060
48	Jungbauer, Michael J. (R)	121 SOB	3733	2	Skoe, Rod (DFL)	303 Cap.	4196
63	Kelash, Ken (DFL)	320 Cap.	7-8061	10	Skogen, Dan (DFL)	303 Cap.	5655
19	Koch, Amy T. (R)	131 SOB	5981	27	Sparks, Dan (DFL)	317 Cap.	9248
12	Koering, Paul E. (R)	119 SOB	4875	1	Stumpf, LeRoy A. (DFL)	208 Cap.	8660
20	Kubly, Gary W. (DFL)	301 Cap.	5094	5	Tomassoni, David J. (DFL)	317 Cap.	8017
9	Langseth, Keith (DFL)	122 Cap.	3205	62	Torres Ray, Patricia (DFL)	124 Cap.	4274
44	Latz, Ron (DFL)	306 Cap.	7-8065	52	Vandever, Ray (R)	107 SOB	4351
32	Limmer, Warren (R)	141 SOB	2159	22	Vickerman, Jim (DFL)	226 Cap.	5650
8	Lourey, Tony (DFL)	303 Cap.	0293	55	Wiger, Charles W. (DFL)	323 Cap.	6820
30	Lynch, Ann (DFL)	G-24 Cap.	4848				

\*Capitol or State Office Building, St. Paul, MN 55155

## Minnesota House and Senate Membership

<b>1</b> A Rep. Dave Olin-(DFL) B Rep. Bernie Lieder-(DFL) Sen. LeRoy A. Stumpf-(DFL)	<b>15</b> A Rep. Steve Gottwalt-(R) B Rep. Larry Haws-(DFL) Sen. Tarryl Clark-(DFL)	<b>29</b> A Rep. Randy Demmer-(R) B Rep. Kim Norton-(DFL) Sen. David H. Senjem-(R)	<b>43</b> A Rep. Sarah Anderson-(R) B Rep. John Benson-(DFL) Sen. Terri E. Bonoff-(DFL)	<b>57</b> A Rep. Karla Bigham-(DFL) B Rep. Denny McNamara-(R) Sen. Katie Sieben-(DFL)
<b>2</b> A Rep. Kent Eken-(DFL) B Rep. Brita Sailer-(DFL) Sen. Rod Skoe-(DFL)	<b>16</b> A Rep. Gail Kulick Jackson-(DFL) B Rep. Mary Kiffmeyer-(R) Sen. Lisa Fobbe-(DFL)	<b>30</b> A Rep. Tina Liebong-(DFL) B Rep. Ann Welti-(DFL) Sen. Ann Lynch-(DFL)	<b>44</b> A Rep. Steve Simon-(DFL) B Rep. Ryan Winkler-(DFL) Sen. Ron Latz-(DFL)	<b>58</b> A Rep. Joe Mullery-(DFL) B Rep. Bobby Joe Champion-(DFL) Sen. Linda Higgins-(DFL)
<b>3</b> A Rep. Tom Anzelc-(DFL) B Rep. Loren A. Solberg-(DFL) Sen. Tom Saxhaug-(DFL)	<b>17</b> A Rep. Rob Eastlund-(R) B Rep. Jeremy Kalin-(DFL) Sen. Rick E. Olseen-(DFL)	<b>31</b> A Rep. Gene Pelowski Jr.-(DFL) B Rep. Greg Davids-(R) Sen. Sharon L. Erickson Ropes-(DFL)	<b>45</b> A Rep. Sandra Peterson-(DFL) B Rep. Lyndon Carlson Sr.-(DFL) Sen. Ann H. Rest-(DFL)	<b>59</b> A Rep. Diane Loeffler-(DFL) B Rep. Phyllis Kahn-(DFL) Sen. Lawrence J. Pogemiller-(DFL)
<b>4</b> A Rep. John Persell-(DFL) B Rep. Larry Howes-(R) Sen. Mary A. Olson-(DFL)	<b>18</b> A Rep. Ron Shimanski-(R) B Rep. Dean Urdahl-(R) Sen. Steve Dille-(R)	<b>32</b> A Rep. Joyce Peppin-(R) B Rep. Kurt Zellers-(DFL) Sen. Warren Limmer-(R)	<b>46</b> A Rep. Michael V. Nelson-(DFL) B Rep. Debra Hilstrom-(DFL) Sen. Linda Scheid-(DFL)	<b>60</b> A Rep. Margaret Anderson Kelliher-(DFL) B Rep. Frank Hornstein-(DFL) Sen. D. Scott Dibble-(DFL)
<b>5</b> A Rep. Tom Rukavina-(DFL) B Rep. Anthony "Tony" Sertich-(DFL) Sen. David J. Tomassoni-(DFL)	<b>19</b> A Rep. Bruce Anderson-(R) B Rep. Tom Emmer-(R) Sen. Amy T. Koch-(R)	<b>33</b> A Rep. Steve Smith-(R) B Rep. Connie Doepeke-(R) Sen. Gen Olson-(R)	<b>47</b> A Rep. Denise Dittich-(DFL) B Rep. Melissa Hortman-(DFL) Sen. Leo T. Foley-(DFL)	<b>61</b> A Rep. Karen Clark-(DFL) B Rep. Jeff Hayden-(DFL) Sen. Linda Berglin-(DFL)
<b>6</b> A Rep. David Dill-(DFL) B Rep. Mary Murphy-(DFL) Sen. Thomas M. Bakk-(DFL)	<b>20</b> A Rep. Andrew Falk-(DFL) B Rep. Lyle Koenen-(DFL) Sen. Gary W. Kubly-(DFL)	<b>34</b> A Rep. Paul Kohls-(R) B Rep. Joe Hoppe-(R) Sen. Julianne E. Ortman-(R)	<b>48</b> A Rep. Tom Hackbarth-(R) B Rep. Jim Abeler-(R) Sen. Michael J. Jungbauer-(R)	<b>62</b> A Rep. Jim Davnie-(DFL) B Rep. Jean Wagenius-(DFL) Sen. Patricia Torres Ray-(DFL)
<b>7</b> A Rep. Thomas Huntley-(DFL) B Rep. Roger Reintner-(DFL) Sen. Yvonne Prettner Solon-(DFL)	<b>21</b> A Rep. Marty Seifert-(R) B Rep. Paul Torkelson-(R) Sen. Dennis R. Frederickson-(R)	<b>35</b> A Rep. Michael Beard-(R) B Rep. Mike Buesgens-(R) Sen. Claire A. Robling-(R)	<b>49</b> A Rep. Peggy Scott-(R) B Rep. Jerry Newton-(DFL) Sen. Debbie J. Johnson-(R)	<b>63</b> A Rep. Paul Thissen-(DFL) B Rep. Michael Paymar-(DFL) Sen. Ken Kelash-(DFL)
<b>8</b> A Rep. Bill Hilty-(DFL) B Rep. Tim Faust-(DFL) Sen. Tony Lourey-(DFL)	<b>22</b> A Rep. Doug Magnus-(R) B Rep. Rod Hamilton-(R) Sen. Jim Vickerman-(DFL)	<b>36</b> A Rep. Mary Liz Holberg-(R) B Rep. Pat Garofalo-(R) Sen. Pat Pariseau-(R)	<b>50</b> A Rep. Carolyn Laine-(DFL) B Rep. Kate Knuth-(DFL) Sen. Satveer S. Chaudhary-(DFL)	<b>64</b> A Rep. Erin Murphy-(DFL) B Rep. Michael Paymar-(DFL) Sen. Richard J. Cohen-(DFL)
<b>9</b> A Rep. Morrie Lanning-(R) B Rep. Paul Marquart-(DFL) Sen. Keith Langseth-(DFL)	<b>23</b> A Rep. Terry Morrow-(DFL) B Rep. Kathy Brynaert-(DFL) Sen. Kathy Sheran-(DFL)	<b>37</b> A Rep. Tara Mack-(R) B Rep. Phillip Sterner-(DFL) Sen. Chris Gerlach-(R)	<b>51</b> A Rep. Tim Sanders-(R) B Rep. Tom Tillberry-(DFL) Sen. Don Betzold-(DFL)	<b>65</b> A Rep. Cy Thao-(DFL) B Rep. Carlos Mariani-(DFL) Sen. Sandra L. Pappas-(DFL)
<b>10</b> A Rep. Bud Nornes-(R) B Rep. Mark Murdock-(R) Sen. Dan Skogen-(DFL)	<b>24</b> A Rep. Bob Gunther-(R) B Rep. Tony Cornish-(R) Sen. Julie A. Rosen-(R)	<b>38</b> A Rep. Sandra Masin-(DFL) B Rep. Mike Obermueller-(DFL) Sen. Jim Carlson-(DFL)	<b>52</b> A Rep. Bob Dettmer-(R) B Rep. Matt Dean-(R) Sen. Ray Vandever-(R)	<b>66</b> A Rep. John Lesch-(DFL) B Rep. Alice Hausman-(DFL) Sen. Ellen R. Anderson-(DFL)
<b>11</b> A Rep. Torrey Westrom-(R) B Rep. Mary Ellen Otremba-(DFL) Sen. Bill G. Ingebrigtsen-(R)	<b>25</b> A Rep. Laura Brod-(R) B Rep. David Bly-(DFL) Sen. Kevin Dahle-(DFL)	<b>39</b> A Rep. Rick Hansen-(DFL) B Rep. Joe Atkins-(DFL) Sen. James P. Metzen-(DFL)	<b>53</b> A Rep. Paul Gardner-(DFL) B Rep. Carol McFarlane-(R) Sen. Sandy Rummel-(DFL)	<b>67</b> A Rep. Tim Mahoney-(DFL) B Rep. Sheldon Johnson-(DFL) Sen. Mee Moua-(DFL)
<b>12</b> A Rep. John Ward-(DFL) B Rep. Al Doty-(DFL) Sen. Paul E. Koering-(R)	<b>26</b> A Rep. Kory Kath-(DFL) B Rep. Patti Fritz-(DFL) Sen. elect Mike Parry-(R)	<b>40</b> A Rep. Will Morgan-(DFL) B Rep. Ann Lenczewski-(DFL) Sen. John Doll-(DFL)	<b>54</b> A Rep. Mindy Greiling-(DFL) B Rep. Bev Scalze-(DFL) Sen. John Marty-(DFL)	
<b>13</b> A Rep. Paul Anderson-(R) B Rep. Al Juhnke-(DFL) Sen. Joe Gimse-(R)	<b>27</b> A Rep. Robin Brown-(DFL) B Rep. Jeanne Poppe-(DFL) Sen. Dan Sparks-(DFL)	<b>41</b> A Rep. Keith Downey-(R) B Rep. Paul Rosenthal-(DFL) Sen. Geoff Michel-(R)	<b>55</b> A Rep. Leon Lillie-(DFL) B Rep. Nora Slawik-(DFL) Sen. Charles W. Wiger-(DFL)	
<b>14</b> A Rep. Dan Severson-(R) B Rep. Larry Hosch-(DFL) Sen. Michelle L. Fischbach-(R)	<b>28</b> A Rep. Tim Kelly-(R) B Rep. Steve Drazkowski-(R) Sen. Steve Murphy-(DFL)	<b>42</b> A Rep. Maria Ruud-(DFL) B Rep. Jenifer Loon-(R) Sen. David W. Hann-(R)	<b>56</b> A Rep. Julie Bunn-(DFL) B Rep. Marsha Swails-(DFL) Sen. Kathy L. Saltzman-(DFL)	

# Targeting investment

Projects ready to go by July 1, 2011, could benefit from tax bill

By LEE ANN SCHUTZ

**W**ith state unemployment levels hovering around 7 percent, an overriding theme this session is job creation. The DFL approach to solving the nearly \$1 billion projected state deficit includes a job creation strategy, beginning with passage of the capital investment law. With that done, next up is a tax bill designed to prime the cash pump for small business investment.

Rep. Ann Lenczewski (DFL-Bloomington) chairs the House Taxes Committee. As sponsor of HF2695, she has had to swallow her objections to business tax credits, and the use of tax increment financing districts — an economic development tool commonly used by cities to spur development. Bowing, instead, to input from small-business owners who say their development plans are stymied because credit has all but dried up, and also city officials who say business expansion is at a dead stop.

“This is really a stretch for me,” she told the committee March 15. “This is something that I’m not happy about.”

The bill contains a variety of new tax incentives for investors who provide money for small businesses, historical building renovations, small high-tech companies, manufacturers and eco-friendly businesses. Language to help the Mall of America expand and an easing of TIF requirements so local governments can lure more development are also included.

“The goal here is to put as many people to work as quickly as possible as we can during a time of limited resources,” Lenczewski said. The bill specifically targets projects that would be ready to hit the dirt by July 1, 2011.

She and Sen. Tom Bakk (DFL-Cook), sponsor of the companion, SF2568, were united during a March 16 press conference regarding the bills’ intent. Although it is

not yet clear how the credits will be paid for, Lenczewski is hopeful the final product will have had enough buy-in across party lines and between the legislative bodies that there will be no need for a conference committee.

Tax bills historically have not had much success getting off Gov. Tim Pawlenty’s desk — most recently two vetoed bills last session. Rep. Laura Brod (R-New Prague), the committee’s lead-Republican, wanted to know if there were “any clinkers in the bill coming

from the governor’s office, or if it’s just more details and the funding sources that need to be worked out.”

Lenczewski said the governor’s office has been involved in the bill’s development. However, there remains the question of how the bill will be paid for. “The revenue piece is really what we are down to here,” she said. And that could be part of the discussion when the House Taxes Committee again hears HF2695 scheduled for March 23. Bakk’s bill is scheduled to be heard March 24 by the Senate Taxes Committee.

Since its inception more than 20 years ago,

**Taxes continued on page 23**

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***“The goal here is to put as many people to work as quickly as possible as we can during a time of limited resources.”***

— Rep. Ann Lenczewski (DFL)  
House Taxes Committee  
chairwoman

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PHOTO BY TOM OLMSCHIED

**Kyle Markarios, political director of the North Central States Regional Council of Carpenters, listens March 15 as the House Taxes Committee hears a jobs creation bill.**

# Capital investment bill chopped into law

Line-item veto authority cuts \$313 million; higher education hit hard

By MIKE COOK

**I**n the end, Gov. Tim Pawlenty signed a capital investment law smaller than his initial request, angering some and pleasing others.

Presented with a bill totaling \$999.6 million in general obligation bonding, Pawlenty used his line-item veto authority March 14 to drop the total to almost \$686.3 million.

"The DFL-controlled legislature seems incapable of prioritizing projects or simply saying no. So, I have again done it for you,"

he wrote in his veto letter. "... Reducing the bill to this level reflects my commitment to fiscal discipline and an attempt to prioritize important state projects."

Bill supporters lament that Minnesota has lost an opportunity to spark more economic growth because of favorable interest rates and

lower construction bids. Rep. Alice Hausman (DFL-St. Paul) said the veto means about 7,000 fewer jobs would be created.

"(This is) clearly a very muddled message about his priorities, certainly no vision for a Minnesota that takes us to a better place in terms of educating our workforce and rebuilding our economy," she said.

Noting the state's nearly billion-dollar projected deficit, many Republicans applauded Pawlenty's action.

"It's just really bad timing to pass a debt bill right now when your top priority of the session is to eliminate debt," Rep. Tony Cornish (R-Good Thunder) said in a statement. "There's no doubt that some of the bonding projects are worthwhile in a typical year, but we are way too easygoing with our money as it is."

Pawlenty repeatedly said he wouldn't sign a bill in excess of \$725 million in general obligation bonding, the amount suggested by Minnesota Management & Budget when releasing its economic forecast. Because the vetoes put the total below the forecasted amount, the law provides a \$4.63 million debt service savings over the next three fiscal years. Total requests for bond money exceeded \$4 billion.

Neither Hausman nor Sen. Keith Langseth (DFL-Glyndon), the sponsors of HF2700\*/SF2360, expect a veto override attempt, nor do they expect a second bill to be put together this session.

"When he wanted his things in there, we took \$75 million out of our bill and put his in, and still, he basically massacred the bill. ... In his office, he said both sides have to give a little. Giving a little means he comes up some and we come down. This bill is \$30 million below his original bill," Langseth said. "You simply cannot trust what he says. I see no point in going further. Hopefully, in January we'll have a new governor we can trust."

Among the areas hardest hit by Pawlenty's veto is the Minnesota State Colleges

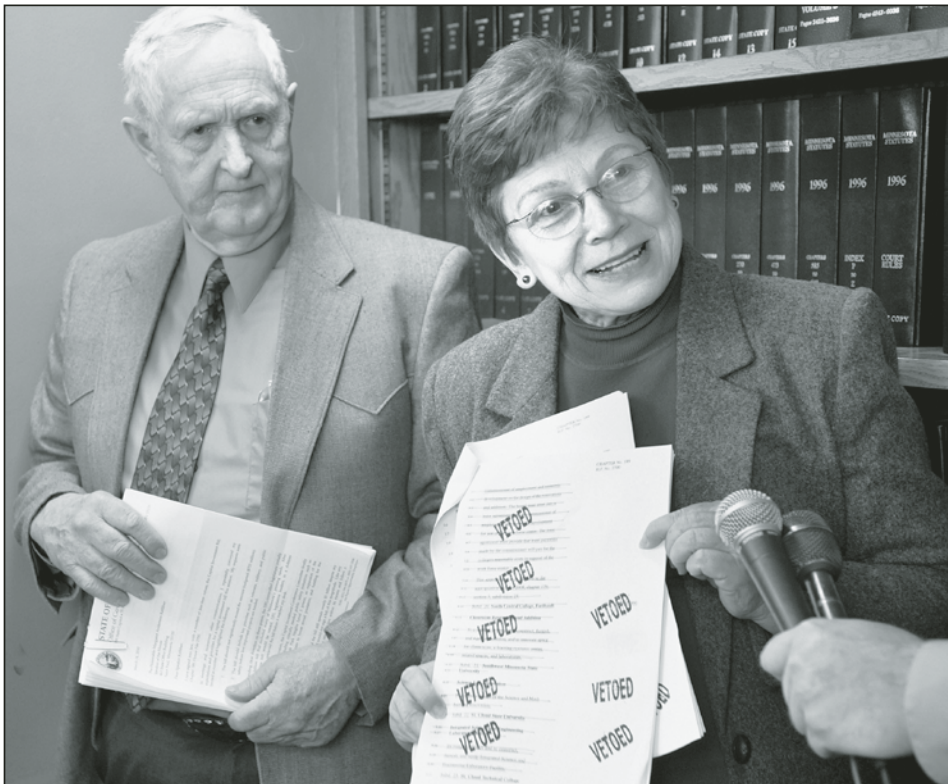


PHOTO BY TOM OLMSCHEID

At a March 15 press conference, Rep. Alice Hausman shows a section of the capital investment law that contains several gubernatorial line-item vetoes to Minnesota State Colleges and Universities systems projects. Hausman and Sen. Keith Langseth, left, sponsor the law that received a \$313 million cut by Gov. Tim Pawlenty.

Capital Investment continued on page 23



# Talkin' trash

PCA discovers interpreting the letter of the law isn't easy

By SUE HEGARTY

**A** legislative directive that in a state agency's eyes omitted a word or two is an example of what can go wrong when attempting to carry out the letter of the law.

The fuss began six years ago when perfluorochemicals (PFCs) were found in groundwater that had leaked from a closed Washington County landfill. The City of Lake Elmo had to close 200 household wells and spent \$6 million to bring water services to the low-density area.

"My community is really a poster-child for what happens when things go wrong," Lake Elmo Mayor Dean Johnston said.

In 2008, the Legislature gave the Pollution Control Agency 18 months to write stricter rules about where landfills can be placed and how their owners must provide financial assurances against leaks. The rules are intended to protect groundwater and to ensure that taxpayers are not stuck with hefty cleanup costs.

Stakeholders got a look at the draft rules last summer and began questioning legislative intent. Were the new stricter rules supposed to apply to existing landfills or just new ones?

"There was no question in our mind. We thought the legislation was clear that it directed us to write rules for both existing and new," said Lisa Thorvig, PCA municipal division director. "It didn't say the rules were for new solid waste disposal, and generally when we're directed to write rules that only pertain to new, or new and expanded, there's some kind of qualifier in the language, and that wasn't there."

However, the rules may have created more problems than they sought to address.

"Virtually every existing facility would have an exception, or a variance would be required,"

said Mike Robertson, a Minnesota Chamber of Commerce lobbyist. "We think this kind of policy would really be unprecedented. It's regulating through variance which is bad policy."

"You've got to assume (variances) are going to get turned down," said Rep. Denny McNamara (R-Hastings).

Rep. Julie Bunn (DFL-Lake Elmo), who worked on drafting the legislation, said it was never the intent to include existing landfills under the new siting rules.

She sponsors HF3367 to clarify the language. As amended, her fix states, "The financial assurance and siting modifications to the rules specified in this bill, when it becomes law, shall not apply to solid waste facilities initially permitted before Jan. 1, 2011, including future contiguous expansions and noncontiguous expansions within 600 yards of a permitted boundary."

The bill was approved by the House Environment Policy and Oversight Committee March 11 and referred to the House Finance Committee with the recommendation that it be re-referred to the House Environment and Natural Resources Finance Division. A companion, SF3003, sponsored by Sen. Kathy Saltzman (DFL-Woodbury), awaits action by

the full Senate.

The second directive, to ensure taxpayers are not stuck with cleanup costs, also produced objections and landfill owners predicted their increased costs would trickle down to the taxpayer anyway.

After a landfill closes, it can be voluntarily turned over to the care of the Pollution Control Agency. Money to maintain closed landfills and to clean up leaky ones comes from a remediation fund. Several entities contribute to the fund, such as a state tax that shows up on homeowner's garbage bills and financial assurances paid by landfill owners.

Homeowners are assessed a 9.75 percent solid waste tax, while commercial businesses pay 17 percent. Last year, the tax generated \$66.1 million. The majority, 70 percent, is used to manage 109 state-owned, closed landfills. The rest goes into the General Fund.

Landfill operators may be required to pay financial assurances for up to 30 years after a landfill closes. According to the draft rules, the PCA seeks authority to extend that responsibility beyond the 30-year cap. Again, stakeholders objected.

"I've worked in 25 states and Canada. There's not been one leachate in a modern-lined facility," said Fred Doran, an engineer serving seven counties. He said current rules are protective of the environment.

Bunn's bill would require the PCA to consult with "experts and interested persons on financial assurance adequacy for solid waste

facilities ... to determine the adequacy of existing financial assurance rules to address environmental risks."

A 2008 moratorium was placed on new solid waste landfills until the new PCA rules are adopted. With the moratorium still in place, four industrial landfill applicants have either been denied or put on hold during the interim; 63 permits for existing landfills, unaffected by the moratorium, were renewed, according to the PCA.

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***In 2008, the Legislature gave the Pollution Control Agency 18 months to write stricter rules about where landfills can be placed and how their owners must provide financial assurances against leaks. The rules are intended to protect groundwater and to ensure that taxpayers are not stuck with hefty cleanup costs.***

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## Monday, March 15

### **HF3652-Westrom (R)** **Civil Justice**

Civil claims limit increased.

### **HF3653-Severson (R)** **Civil Justice**

Embossed seal authorized in lieu of notarization on certain statements.

### **HF3654-Sterner (DFL)** **Civil Justice**

Seat belt use evidence admissibility regulated in civil actions.

### **HF3655-Severson (R)** **Agriculture, Rural Economies & Veterans Affairs**

Rehabilitation presumption established through a person's honorable military service following a prior offense.

### **HF3656-Beard (R)** **Finance**

Aviation-related taxes modified.

### **HF3657-Torkelson (R)** **Health Care & Human Services Policy & Oversight**

Long-term care liaison office established in the Department of Health, duties established and state agency cooperation required.

### **HF3658-Haws (DFL)** **Taxes**

Sales and use taxes exempted for construction materials and equipment used in the construction and improvement of a regional wastewater treatment facility.

### **HF3659-Gottwalt (R)** **Health Care & Human Services Policy & Oversight**

Guaranteed issue required in the individual market, MCHA required to reinsure ceded risk on certain health plans and MCHA additional enrollment ended.

### **HF3660-Koenen (DFL)** **Finance**

Department of Corrections; settlement provided for certain claims against the state for injuries suffered.

### **HF3661-Hansen (DFL)** **Commerce & Labor**

Packinghouse workers bill of rights modified.

### **HF3662-Faust (DFL)** **Environment Policy & Oversight**

Snowmobile private use registration provided.

### **HF3663-Laine (DFL)** **Health Care & Human Services Policy & Oversight**

Prepaid health plan contract aspects specified, accounting procedure use required, health care providers and others provided a right to audit under those contracts, and resolution of disputes provided.

### **HF3664-Brown (DFL)** **Finance**

Minnesota's K-12 funding system replaced with a foundation aid program.

### **HF3665-Hoppe (R)** **Finance**

Left-hand lane travel requirements amended, driver's manual modified and technical changes made.

### **HF3666-Dill (DFL)** **Energy Finance & Policy Division**

Congress urged to adopt legislation delaying certain regulation of greenhouse gas emissions.

### **HF3667-Hilty (DFL)** **Energy Finance & Policy Division**

Electric generating plant emission reduction programs modified.

### **HF3668-Greiling (DFL)** **State & Local Government Operations Reform, Technology & Elections**

Clean money campaign funding provided; definitions expanded; electronic reports, notice and excess spending report required; contribution and spending limits reduced; independent expenditures limited; contribution and spending limits imposed on caucuses; expenditures limited; public subsidy provisions changed; income tax check-off repealed; and refund maximum increased.

### **HF3669-Sterner (DFL)** **State & Local Government Operations Reform, Technology & Elections**

Open meetings required to be recorded and made available to the general public.

### **HF3670-Nornes (R)** **Finance**

Early childhood education funding provided.

### **HF3671-Westrom (R)** **Taxes**

Property tax refund for renters schedule modified, percentage of rent constituting property taxes reduced and inflation adjustment of the brackets and maximum refund amount ended.

### **HF3672-Westrom (R)** **Taxes**

Property tax refund for renters schedule modified, percentage of rent constituting property taxes reduced, and inflation adjustment of the brackets and maximum refund amount ended.

### **HF3673-Ruud (DFL)** **Health Care & Human Services Policy & Oversight**

Community behavioral health hospital placement authorized.

### **HF3674-Ward (DFL)** **Finance**

Northwestern Online College in the high school program funding provided.

### **HF3675-Ward (DFL)** **Finance**

Career and technical levy formula adjusted.

### **HF3676-Lesch (DFL)** **Public Safety Policy & Oversight**

Number of years of relevant military experience required reduced for eligibility for reciprocity examination for licensure as a peace officer.

### **HF3677-Pelowski (DFL)** **K-12 Education Policy & Oversight**

Race to the Top grant program participation prohibited.

### **HF3678-Clark (DFL)** **Finance**

Challenge program for affordable housing and permanent supportive housing purposes funding provided.

## Wednesday, March 17

### **HF3679-Cornish (R)** **Public Safety Policy & Oversight**

Felony extended of fraudulent or other improper finance statements to include retaliation against a sheriff for executing the duties connected with a sheriff's sale of real property or county recorder for executing the duties connected with a lien placed on real property.

### **HF3680-McNamara (R)** **Finance**

Bus service from Hastings to Minneapolis-St. Paul during bridge construction funding provided.

### **HF3681-Beard (R)** **Energy Finance & Policy Division**

Greenhouse gas emissions consideration repealed in resource planning.

### **HF3682-Kalin (DFL)** **Finance**

Energy environment financing program provisions changed.

### **HF3683-Bigham (DFL)** **Taxes**

Cottage Grove; tax increment financing district special rules provided.

### **HF3684-Bigham (DFL)** **Environment Policy & Oversight**

Commercial hazardous waste incineration facilities permission prohibited.

### **HF3685-Dittrich (DFL)** **Finance**

Shared services grant program established for school districts and charter schools.

### **HF3686-Hosch (DFL)** **Finance**

St. Cloud; nonprofit memory care clinic grant provided.

### **HF3687-Lesch (DFL)** **Taxes**

Lodging includes certain services clarified, and nexus standards clarified.

### **HF3688-Demmer (R)** **Commerce & Labor**

Gross profits use clarified.

### **HF3689-Westrom (R)** **Taxes**

Property tax refunds for homeowners schedule modified, and inflation adjustment ended of brackets and maximum refunds amounts.

### **HF3690-Westrom (R)** **Taxes**

Property tax refunds for homeowners schedule modified, and inflation adjustment ended of brackets and maximum refunds amounts.

### **HF3691-Brod (R)** **Finance**

Flexibility provided for local school boards.

### **HF3692-Emmer (R)** **Health Care & Human Services Policy & Oversight**

Minnesota congressional delegation memorialized to vote against the federal health care reform bill.

### **HF3693-Thao (DFL)** **Health Care & Human Services Policy & Oversight**

Nursing home residents' rights modified.

**HF3694-Torkelson (R)****Finance**

Independent School District No. 837, Madelia, fund transfer permitted.

**HF3695-Hilty (DFL)****Taxes**

Cloquet authorized to impose a local sales tax.

**HF3696-Downey (R)****Higher Education & Workforce Development Finance & Policy Division**

Streamlined business formation established.

**HF3697-Clark (DFL)****Finance**

Transit shelters and stops design, accessibility and maintenance regulated; special transportation service bus access required.

**HF3698-Scott (R)****Health Care & Human Services Policy & Oversight**

MFIP eligibility drug screening required, and child neglect report mandated.

**HF3699-Greiling (DFL)****Finance**

School district discretionary levy authorized.

**HF3700-Atkins (DFL)****State & Local Government Operations Reform, Technology & Elections**

Business corporations provided to not have the power to make corporate independent political expenditures.

**HF3701-Hilty (DFL)****Finance**

Ambulance service payment required within a geographic area.

**HF3702-Wagenius (DFL)****Finance**

Department of Natural Resources long-range land management budgeting required.

**HF3703-Kath (DFL)****Finance**

Support Our Troops account transfer report required and Support Our Troops money return required to the Support Our Troops account.

**HF3704-Thissen (DFL)****Health Care & Human Services Policy & Oversight**

Essential community provider definition modified.

**HF3705-Abeler (R)****Finance**

State government finance; money appropriated and money transferred, supplemented or reduced for the health-related departments, boards and councils; health care service programs, continuing care services, children and family services and Department of Health provisions established, regulated or modified; and health information exchange established.

**HF3706-Mariani (DFL)**

**K-12 Education Policy & Oversight**  
Innovation and teaching excellence centers established; student loan repayment program created.

**Thursday, March 18****HF3707-Juhnke (DFL)****Commerce & Labor**

Lottery directed to develop a special scratch lottery game to benefit Minnesota veterans, members of the military and their families.

**HF3708-Hackbarth (R)****Finance**

Environment, natural resources, energy and commerce funding provided; transfer provided; youth hunting modified; licensing and regulation provided in mortgage loan origination and mortgage loan business; disposition of receipts; continuing education requirements modified; securities regulation modified; electronic transactions provided; and accounts established.

**HF3709-Huntley (DFL)****Finance**

Federal health care reform changes made, health care subsidy funding provided, accountable care organizations established, publicly administered health plan established, Medical Assistance eligibility expanded, and MinnesotaCare program and related taxes repealed.

**HF3710-Juhnke (DFL)****Commerce & Labor**

Consumer contracts regulated and certain language requests imposed.

**HF3711-Fritz (DFL)****State & Local Government****Operations Reform, Technology & Elections**

Local grower or distributor purchasing preference required when purchasing fresh produce for consumption in state correctional facilities.

**HF3712-Davnie (DFL)****Taxes**

Construction material exemption provided for the Orchestra Hall and Peavey Plaza renovation.

**HF3713-Huntley (DFL)****Finance**

Medical Assistance eligibility expanded to include certain adults without children.

**HF3714-Kalin (DFL)****Energy Finance & Policy Division**

Energy generation project size threshold amended.

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Mall of America Phase II has been in the mix, but developers have had to alter plans and timelines as the economy has dipped, especially retail. The bill would change language in current law to accommodate flexibility for this new timeline.

Although no project is named, the bill references a new hotel that could be built in the area of the former Met Center, north of the mall.

Lenczewski is reluctantly joining those giving bipartisan support to small-business investment incentives. Known as an “angel investment,” this form of venture capital provides a tax credit to qualified investors, or a network of investors who provide seed capital for small businesses. With venture capital funds all but dried up, some say that Minnesota hasn’t been doing enough to attract and retain small businesses, and states that are aggressively nurturing angel investors are reaping the benefits.

A bipartisan small-business caucus and a jobs task force meeting over the interim concluded that to address challenges businesses face in today’s economy, these credits are needed.

Several new fees would be attached to the credit, including a \$100 filing fee to be submitted annually with a report from each qualified small business, investor and fund. The money would be used to administer the program.

Lenczewski previously said these credits could be viewed as a tax subsidy for wealthy Minnesotans, and that the cost has to come from somewhere. “And the money’s not there,” she said.

The bill carries several proposals supported by the governor, including his Create Automotive Recovery Zone proposal (CARZ) that focuses on a series of state and local tax exemptions to help make the St. Paul Ford plant site viable to the company or another vehicle manufacturer.

Minnesota could join several other states

that offer an historic rehabilitation credit. According to the nonpartisan House Research Department, this credit would complement a similar federal credit for historic preservation. Rehabilitation credits would be available only to certified historic structures as defined by the reference to the federal tax credit. Applications would be accepted by the State Historic Preservation Office for grants in fiscal years 2011 to 2015 only.

Other bill provisions include:

- authority for local governments to finance energy conservation improvements and collect repayments as special assessments at the request of the property owner;
- creation of compact development tax increment finance districts; and
- expanded authority for local governments to use TIF for general economic development for one year, as well as availability of TIF revenues for construction of new private development.

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and Universities system, which received \$133.75 million in reductions for 16 projects. Those cuts include \$42.33 million for a science and engineering laboratory at St. Cloud State University, \$14.3 million to equip instructional space at Ridgewater College in Willmar, and \$13.36 million for a learning resource center at South Central College in Faribault. “Fully funding all of these requests would reduce consideration of other worthy state projects in order to achieve a reasonably sized bill,” Pawlenty wrote.

Langseth, who said the cuts show Pawlenty “places such a low priority on higher education,” added all the projects would be built eventually, but at a higher cost.

Hausman noted that MnSCU has three times as many students as the University of Minnesota, but now gets less in the law. The university had two projects slashed: \$6.67 million for an American Indian learning resource center in Duluth and \$3.67 million for a new biological station and classroom renovation at the university facility in Itasca State Park.

Other items vetoed by Pawlenty include \$53 million for civic center projects in Mankato, Rochester and St. Cloud; \$43.5 million for the Transit Capital Improvement Program; \$21.42 million for state trail acquisition and development; and \$2 million for the Minneapolis Sculpture Garden.

Items remaining in the bill include:

- \$66 million for local bridge replacement;
- \$63.5 million for flood hazard mitigation;
- \$47.5 million for an expansion of the sex offender program at Moose Lake;
- \$27 million for the wastewater infrastructure fund;
- \$21 million for the Minnesota Zoo;
- \$16 million for Orchestra Hall/Peavey Plaza redevelopment;
- \$16 million for an expansion of the Ordway Center for the Performing Arts;
- \$11 million for Como Zoo; and
- \$4 million to expand the National Volleyball Center in Rochester.

“I think it would be helpful for him to discuss his priorities relative to what he signed and what he vetoed, because, I have to tell you,

I don’t get it,” Hausman said. Pawlenty had no comment other than his veto letter.

Pawlenty was critical of the bill’s markup, noting, in particular, the way sections for trail acquisition and transit projects were written was an all-or-nothing approach, limiting his ability to line-item veto select projects. “As a result, entire sections were removed,” he wrote.

Citing local bridges and Public Finance Authority projects, Hausman said that it is not unusual to write a bill that way, using transportation as another example.

“When you have a whole system you’re trying to move forward that’s how you do it. You do it with ports, you do it with local bridges, you fund a variety of projects,” she said. “We did it last year and he signed it last year.”

The law strikes the cap on a land purchase price for the proposed Lake Vermilion State Park. It also requires that until park infrastructure development begins, the land must continue to be open to the public for hunting, fishing and trail use.

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— M. Cook

**Sources: Minnesota Sentencing Guidelines Commission Report to the Legislature, Jan. 2010;  
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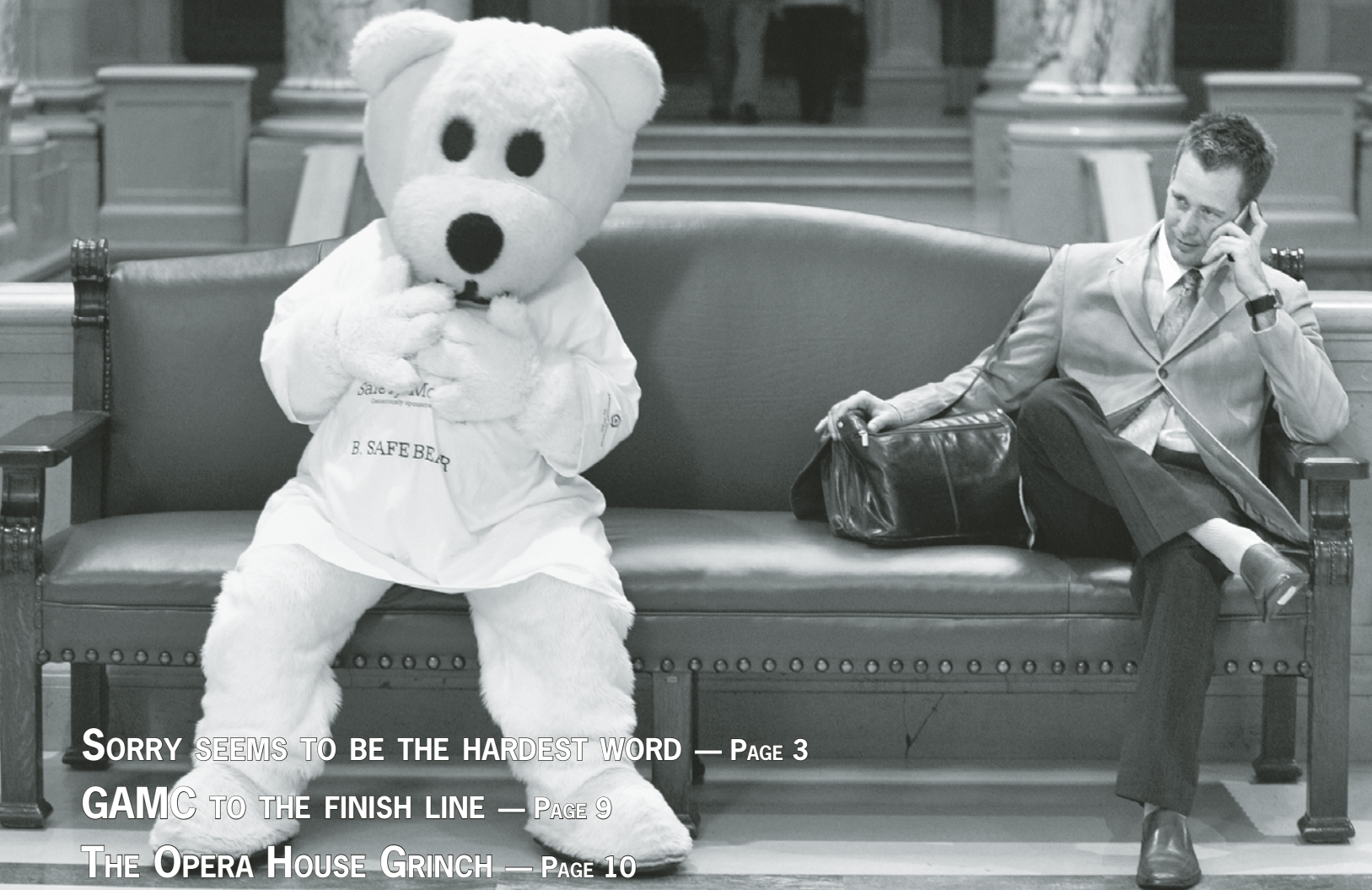
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A NONPARTISAN PUBLICATION  
MINNESOTA HOUSE OF REPRESENTATIVES • PUBLIC INFORMATION SERVICES  
VOLUME 27, NUMBER 8 • MARCH 26, 2010



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## SESSION WEEKLY

Session Weekly is a nonpartisan publication of Minnesota House of Representatives Public Information Services. During the 2009-2010 Legislative Session, each issue reports House action between Thursdays of each week, lists bill introductions and provides other information. No fee.

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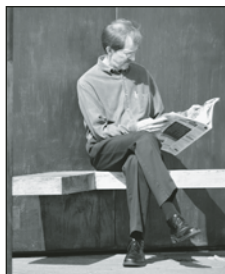
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Session Weekly (ISSN 1049-8176) is published weekly during the legislative session by Minnesota House of Representatives Public Information Services, 175 State Office Building, 100 Rev. Dr. Martin Luther King Jr. Blvd., St. Paul, MN 55155-1298. Periodicals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

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On the cover: B. Safe Bear, aka Erin Kotoski, mascot of the American Red Cross Twin Cities Area Chapter, shares a second floor bench in the Capitol Rotunda March 18 with Brent Urdahl, a lobbyist for the fish farming industry. Red Cross members came to the Capitol to meet with legislators and raise awareness of programs and services the organization provides in Minnesota.

— Photo by: Tom Olmscheid

# Saying 'sorry'

House resolution would apologize for practices done decades ago

By LAUREN RADOMSKI

**M**anny Steinman was only a child during the eight years he spent at Faribault State Hospital, but some things he'll never forget.

He remembers the kind teachers, counselors and other staff who cared for him, as well as the friends he made before leaving the facility in 1968. Steinman, who has bipolar disorder, also recalls unpleasant times during his stay: He required stitches after a night watchman hit him over the head for a bathroom accident Steinman couldn't control.

"I never got an apology for it," he said.

More than 40 years later, Steinman is hoping he'll finally get an apology — and not just for a specific incident. He is among the people backing HF1680, a resolution from the Legislature apologizing to the tens of thousands of Minnesotans with disabilities and mental illnesses who were committed to state hospitals. The resolution acknowledges ways in which some patients' quality of life was diminished, including subjection to frontal lobotomies, isolation and medical

experiments. The resolution also recognizes the painful decisions that faced parents like the Steinmans, who were forced to choose between institutionalizing their child or providing all of his required care themselves.

Sponsored by Rep. Karen Clark (DFL-Mpls), the bill was approved by the House Health Care and Human Services Policy and Oversight Committee March 11 and awaits action by the full House. A companion, SF1135, sponsored by Sen. John Marty (DFL-Roseville), awaits action by the Senate Rules and Administration Committee.

"It would be great if you could pass a few simple words: 'I am sorry for the treatment (you) received,'" said Carol Robinson, a board member for Advocating Change Together, a St. Paul-based disability rights organization. "It would mean a lot to us."

Minnesota's state hospitals were created by the Legislature in the late 1800s as a way to provide lifelong care for people with disabilities. Following the opening of the St. Peter Asylum for the Insane in 1866, nearly a dozen facilities were established to house and treat adults with mental illness, developmental disabilities, alcoholism and epilepsy.

By the 1960s, new drugs and treatment methods, coupled with advocacy by disability rights groups, prompted lawmakers to consider

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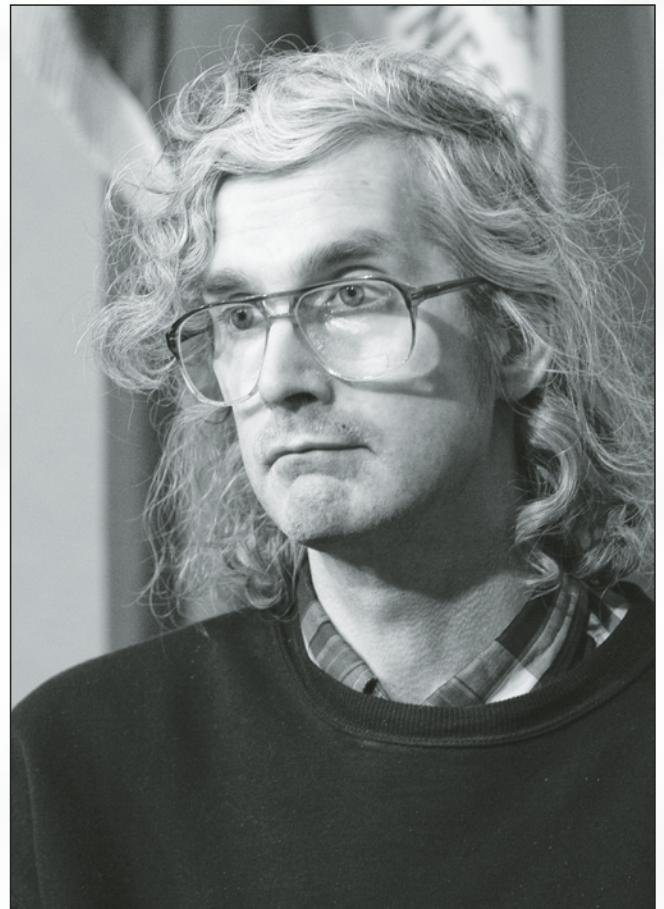


PHOTO BY ANDREW VONBANK

Manny Steinman, a board member with Advocating Change Together, is among the proponents of a legislative apology to Minnesotans institutionalized at state hospitals. Steinman lived at Faribault State Hospital as a child in the early 1960s.

---

**a·pol-o-gy** (ə pāl' jē) **n., pl. -gies** [LL. (Ec.) *apologia* < Gr. *apologia*, a speaking in defense < *apologeisthai*, to speak in defense < *apo-*, from + *logos*, speech:

SEE LOGIC] **1.** A formal spoken or written defense of some idea, religion, philosophy, etc. **2.** an acknowledgment of some fault, injury, insult, etc., with an expression of regret and a plea for pardon **3.** an inferior substitute; makeshift [he is a poor *apology* for an actor]

From Webster's New World Dictionary of the American Language, Second College Edition

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new ways of service delivery. Over the next three decades, policymakers developed an approach that allowed people with disabilities to receive services while living in their communities. Large institutional facilities closed in the 1990s and clients were relocated to adult foster homes and other community-based arrangements.

Earlier this month, the Department of Human Services announced a plan to redesign services for people with mental illness. The redesign, which would close or transform several current state facilities, would also result in new psychiatric care centers statewide.

Supporters of the legislative apology say the measure is long overdue. U.S. Rep. Betty McCollum sponsored similar legislation as a state representative in the late 1990s, but withdrew her bill after amendments on the House floor

threatened to water down the language. Opponents feared a formal apology from the Legislature would prompt former patients or their families to sue the state, something that could happen with or without the bill, said Rick Cardenas, co-director of ACT. Many states have issued apologies, not only for institutionalization in general, but for specific practices like those listed in the Minnesota bill, Cardenas said. He does not know of other states being taken to court over their apologies.

Other critics of the McCollum bill said they felt it was a slap in the face to former employees of state hospitals. Cardenas doesn't see it that way.

Public officials also played a role in demonizing people with disabilities and mental illness, said Luther Granquist, a retired attorney whose successful class-action suit on behalf of people with mental retardation in the 1970s contributed to the closing of state hospitals. In a 1925 speech to state officials, the superintendent of the Faribault facility described what he called “the menace of the feeble-minded.”

“He basically said these people are a menace, we need to confine them,” Granquist said. Minnesota lawmakers, fearful that mental illness and disabilities were hereditary, required female patients at the Faribault

facility to be sterilized before they were discharged, a practice that continued through the late 1940s.

Granquist  
disputes a third  
objection to the  
legislative apology:

that it would lead to countless apologies to other groups – American Indians, for example – that were also discriminated against by state policies. Those apologies are probably appropriate, Granquist said.

"We have, as a nation and as a state, done some really horrendous things... We have failed to meet human need and been demeaning to people in a manner that should not have happened."

Members of ACT, most of whom have a disability, hope Clark's bill will help prevent "demeaning" treatment indefinitely. Her legislation includes not only an apology, but a commitment from the Legislature to provide


A disability rights group backing the apology bill is also working to honor Minnesotans who died in state hospitals.

Advocating Change Together estimates nearly 13,000 people who died in state hospitals since the late-1800s were buried in anonymous graves on hospital property. Grave markers took the form of concrete cylinders, metal stakes or wooden stakes inscribed only with a number, said ACT co-director Rick Cardenas. To members of ACT, the shoddy markers are a reminder of how people with disabilities were denied basic human rights and dignity.

So in the mid-1990s, ACT teamed up with other advocacy groups to create “Remembering With Dignity,” an effort to replace the anonymous markers with personalized ones. As part of the project, ACT obtains lists of patient names and numbers for each facility, matches the numbers with corresponding graves, and orders new nameplates for each patient, listing dates of birth and death. The project has received intermittent funding from the Legislature over the past several years; a \$125,000 appropriation is included in this year’s bonding law.

Remembering With Dignity has restored more than 5,600 graves at facilities including St. Peter, Hastings, Anoka and Cambridge, with the goal of addressing all of them by 2015. Some of the participants, like ACT board member Manny Steinman, are intimately familiar with the property where they're working. Steinman, who lived at Faribault State Hospital as a child in the early-1960s, went back for the first time as part of the restoration project.

future assistance to people with disabilities. Cardenas sees this provision as especially important in light of looming budget cuts to health and human services.

"I think with some of the cuts that we're looking at in this legislative session and probably next legislative session, future Legislatures will be apologizing for the treatment that people seem to be facing at this time," he said. 

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**Editor's note:** The following Highlights are coverage of select bills heard in House committees and other House activities held March 18-25. 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.

## AGRICULTURE

### Ag and vets omnibus bill

The House Agriculture, Rural Economies and Veterans Affairs Finance Division approved March 24 an omnibus bill that would make technical and policy changes to various agriculture and veterans programs.

Sponsored by Rep. Al Juhnke (DFL-Willmar), HF2678 would:

- add an official from the Animal and Plant Health Inspection Service of the United States Department of Agriculture, or a peace officer from the county sheriff's office, to those who could make a personal inspection of a farmer's livestock loss due to a gray wolf;
- make technical changes to pesticide applicator references;
- permit the agriculture commissioner to waive

- certain review fees for businesses that sell prepackaged foods, such as video stores;
  - repeal the loan incentive program for Native Grasses and Wildflower Seed Production;
  - allow nonprofit farms less than 40 acres in size to use profits for educational purposes and be exempt from corporate farm land requirements;
  - permit cities and towns to charge fees and spend money for county extension work, such as 4-H programs;
  - require certain conditions to be met before Minnesota would be granted a federal waiver in regards to Ethanol-15, including that all cars could use the ethanol mixture, and the Department of Commerce could specify how long it could take gas stations to set up for the ability to deliver E-15;
  - require banks to extend credit to feed mills at the beginning of the process of mediation, resulting in mills being paid for that feed;
  - detail procedures on the proper way to fold and present the state flag; and
  - permit the commissioner of veterans affairs to determine a suitable site and plan for three new state veterans cemeteries in northeastern, southeastern and southwestern Minnesota.
- Rep. Doug Magnus (R-Slayton) said the

### Legislature to take a break

No Session Weekly on April 2

The Legislature will be on a Passover/Easter break with no committee meetings or sessions scheduled March 30 through April 5. There will be no Session Weekly on April 2, but we will resume publication the following week. However, look for posts on Session Daily next week when news from the House warrants.

House offices will remain open except on Friday, April 2.

The House is scheduled to meet in session at noon on April 6, after which committees and divisions will resume meeting.

division has done the best it can, calling it a "good bill, good for the state, good for agriculture and veterans community."

The bill now goes to the House Finance Committee. A companion, SF2737, sponsored by Sen. Dan Skogen (DFL-Hewitt), was to be heard March 25 by the Senate Agriculture and Veterans Budget and Policy Division.

— P. OSTBERG

### Budget bill conferees continue work

House and Senate conferees are working out their differences on a bill that would solve

## FEELING WARM



PHOTO BY TOM OLMSCHIED

David Larson, a landscape architect with the Department of Transportation, reads on a bench at the Roy Wilkins Memorial on a sunny, warm March 18.

roughly one-third of the state's \$994 million projected budget deficit.

Sponsored by Rep. Lyndon Carlson, Sr. (DFL-Crystal) and Sen. Richard Cohen (DFL-St. Paul), HF1671\*/ SF3223 would reduce the deficit by as much as \$314 million. Members of a conference committee met March 23 to begin ironing out differences between the House and Senate versions of the bill.

The House version, passed 80-51 on March 22, includes \$214 million in spending cuts and \$98 million in revenue changes (mostly one-time transfers to the General Fund). The Senate version, passed 43-23 the same day, includes \$236 million in cuts and \$78 million in revenue changes.

Both bills cover a wide range of budget areas, including nearly every area of state spending except K-12 education and health and human services. While overall similar, the bills have differences in several areas. In general, the House version cuts less than the Senate version in many areas, including:

- local aids and credits (\$105 million vs. \$105.9 million);
- higher education (\$46.7 million vs. \$48 million);
- public safety (\$22.7 million vs. \$32.2 million);
- economic development (\$7.9 million vs. \$8.6 million);
- transportation (\$5.7 million vs. \$9.5 million);
- agriculture and veterans (\$5.7 million vs. \$8 million); and
- state government (\$5.4 million vs. \$9.1 million).

The House cuts more than the Senate in one area: environment and energy (\$15.1 million vs. \$13.1 million).

Along with the differences in budget cuts, the bills differ in terms of policy language. Side-by-side comparisons of the bills are available on the House's Web site.

Speaking for Gov. Tim Pawlenty, Minnesota Management & Budget Commissioner Tom Hanson said both bills are "something we can work with." Pawlenty has called for deeper cuts to local aids and credits, and also wants \$200 million for the state's cash flow account.

Cohen, who co-chairs the committee with Carlson, said he expects the conference report to be finished by March 29, with the goal of having the House and Senate vote on it before the Passover/Easter break.

— N. BUSSE

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## CONSUMERS

### New law bans 'live checks'

Signed  
by  
the  
governor

"Live checks" are checks that obligate consumers to purchase goods and services they don't necessarily want and may not even be aware of. They're often mailed to people under the

pretense of being rebate checks for a product they already purchased.

In reality, live checks come from third parties who obtain consumers' credit card information without their knowledge. Consumers who cash the checks are often surprised to find charges show up on their credit card statement for purchases they didn't know they were making by cashing the checks.

The checks usually contain fine print informing consumers that cashing them obligates them to buy something, but consumers often don't see it. Moreover, they are seldom aware that their credit card information has been transferred to the third party that sent the check.

A new law bans the distribution of live checks, and classifies them as a deceptive practice under the state's consumer protection laws. Sponsored by Rep. Andrew Falk (DFL-Murdock) and Sen. Kathy Saltzman (DFL-Woodbury), the law takes effect Aug. 1, 2010.

The law does not apply to checks sent from credit card companies as a benefit for their customers, or to similar checks from other lenders or financial institutions.

HF2599/SF2439\*/CH192

— N. BUSSE

## EDUCATION

### Special school seeks special help

Students from Metro Deaf School-Minnesota North Star Academy told the House K-12 Education Finance Division March 23 there is no other school that offers them the same level of access to social, learning and leadership opportunities. They urged the division to support a bill that would alleviate the charter school's cash flow problems.

Rep. Carlos Mariani (DFL-St. Paul) sponsors HF3404, which would allow the Education Department to adjust its payments to any school with fewer than 150 students where 100 percent of its students qualify for special education services. MDS-MNSA, with 100 preschool through 12th-grade students from 39 school districts, is the only school that would now qualify for the exception.

"This school is really important to many of us," said Allison Porter, a senior from Minneapolis, through an ASL-English translator. She likes having "direct communication" with teachers and staff who are all bilingual in ASL and English.

Junior Matt Welstad said he's developed leadership skills and improved his academics after transferring to the school as a sophomore from a Silver Bay public school where he was the only deaf student.

School Administrator Dyan Sherwood said \$500,000 in payments delayed by the Education Department, plus the 27 percent unallotment shift made last year, caused a "cash flow crisis" requiring the school to seek a \$700,000 line of credit.

The proposal would accelerate regular special education aid payments to the school, but slow cash flow proportionately to all other districts and charter schools by the same total dollar amount, estimated to be \$615,781.

"All charter schools are in severe financial cash flow problems," noted Rep. Paul Anderson (R-Starbuck). "Are there other schools that are close to meeting the criteria?"

"All schools are under stress in the state of Minnesota," said Mariani, adding that the "truly unique nature of this particular charter school" merits unique treatment.

The bill was laid over for possible inclusion in the division's omnibus bill. Sen. Kathy Saltzman (DFL-Woodbury) sponsors a companion, SF3000, which was laid over for possible inclusion in an omnibus bill March 24 by the Senate E-12 Education Budget and Policy Division.

— K. BERGGREN

## ELECTIONS

### Absentee ballot board creation

Signed  
by  
the  
governor

Cities, municipalities and school districts must establish a board to examine absentee ballots, under a new law signed March 24 by Gov. Tim Pawlenty.

Sponsored by Rep. Ryan Winkler (DFL-Golden Valley) and Sen. Katie Sieben (DFL-Newport), the law creates a board to accept or reject absentee ballots based on several factors including: the voter's name and address on the return envelope match information provided on the application; the voter signed the certification on the envelope; the voter's driver's license, state identification number or the last four digits of their Social Security number match that provided on the application; and the voter has not already voted at that election.

Winkler said the law will “ensure that absentee ballots and applications are treated equally across the state.”

The Office of the Secretary of State will report to the Legislature every two years statistics related to the state’s absentee ballots, such as the number of ballots sent and received by voters, and the number rejected and reasons why.

In the 2008 election, 12,000 absentee ballots were rejected and two of those were done so improperly, Winkler said.

Most of the law is effective June 25, 2010, except the ballot board creation, which is effective March 25, 2010, and a requirement that the official in charge of the absentee ballot board must mail the voter a written notice of absentee ballot rejection 6-10 weeks following the election takes effect Oct. 28, 2010.

HF3111\*/SF2622/CH194

— P. OSTBERG

## ENERGY

### Eminent domain revisions passed

Property owners would be afforded a few more rights during eminent domain proceedings when their land is needed for the placement of a high-voltage transmission line or natural gas and petroleum pipelines, according to a bill passed by the House 123-5 March 23.

Sponsored by Rep. David Bly (DFL-Northfield), HF1182 now awaits action by the full Senate. Sen. Kevin Dahle (DFL-Northfield) is the Senate sponsor.

A 2006 law protects utilities from having to pay for appraisals or property owner’s attorneys fees. In the wake of a proposed CapX2020 transmission line, property owners in several counties complained that some of the protections were unfair. CapX2020 is a joint initiative of 11 utilities that plan to expand the electric transmission grid from Bemidji to La Crosse, Wis.

The bill would allow property owners to recoup some of their costs, under certain conditions, such as appraisals and attorney fees, from the utility seeking eminent domain privileges, but only for the placement of a high-voltage transmission line of 100 kilovolts or more, substations, a natural gas or petroleum products pipeline, or an ancillary station.

The bill was amended in committee by Rep. Torrey Westrom (R-Elbow Lake) to include policy language that directs the Public Utilities Commission to give existing public corridors top priority when siting high-voltage transmission lines or natural gas and petroleum pipeline.

— S. HEGARTY

### Policy supports lower consumption

Low-income users of electricity could see a higher threshold on the amount of kilowatt-hours eligible for discounted rates.

Sponsored by Rep. Bill Hilty (DFL-Finlayson), HF3493 would increase the electric rate discount from 300 to 400 kilowatt-hours of energy consumed in a billing period. The House Energy Finance and Policy Division approved the bill March 19 and sent it to the House floor. Sen. Ellen Anderson (DFL-St. Paul) sponsors a companion, SF3051, which awaits action by the full Senate.

Inverted block rates would also be authorized to support the state policy goal of reducing annual energy sales by 1.5 percent. Inverted block rates allow residents who consume less energy to pay less per kilowatt-hour than higher consumption users. The goal is to encourage lower energy usage by rewarding those who consume less, Hilty said. A similar pilot project is underway with CenterPoint Energy natural gas customers.

An amendment unsuccessfully offered by Rep. Torrey Westrom (R-Elbow Lake) would have supported the intrastate production and sale of incandescent light bulbs in Minnesota beyond the federally mandated deadline in 2012. Westrom said members of the deaf community have expressed problems with using the newer compact fluorescent bulbs in hearing-impaired devices.

— S. HEGARTY

## ENVIRONMENT

### Division approves omnibus bill

Regulations and funding associated with recreation, water quality, forest timber and landfills comprise the omnibus environment finance bill.

The House Environment and Natural Resources Finance Division approved HF3702 March 25 and referred it to the House Finance Committee. Division Chairwoman Rep. Jean Wagenius (DFL-Mpls) is its sponsor.

Recreational changes proposed include recreational vehicle and boat registration exemptions for tribal governments and for older model snowmobiles and ATVs. Horse riders would no longer be able to ride off-trail to avoid paying a trail pass since the pass would be expanded to off-trail riding. Blue Earth River would be added to the list of boating and canoe routes, which would be renamed “state water trails.” Cross-country skiers would pay more for passes and the money used to maintain or construct trails.

New requirements would have to be met before issuing a groundwater use permit and a task force would be created to address

subsurface sewage treatment system issues.

Leases of state forestland would be allowed for up to 50 years, and any unsold timber could be liquidated for less than its appraised value. Another provision is intended to help timber and wood industry workers with 30 or fewer employees bid on harvesting smaller tracts of land.

Clarifying information was included to help the Pollution Control Agency draft new rules regulating landfills and the financial assurances required by their owners.

A few amendments were approved. A provision allowing 100 percent disabled veterans free state park admission was broadened to include free daily admission for veterans who are partially disabled. Another would allow utility license applicants to combine separate applications into one joint application and to pay one fee.

A companion, SF3275, sponsored by Sen. Ellen Anderson (DFL-St. Paul), is scheduled to be heard March 26 by the Senate Environment, Energy and Natural Resources Budget Division.

— S. HEGARTY

## HEALTH

### Ambulance service fees proposed

Plagued by decreasing revenue and increasing costs, ambulance services outside the Twin Cities metropolitan area are asking for help to stay afloat.

They could find some relief in HF3701, which would allow struggling, nonurban ambulance services to impose a fee on local governments in the regions they serve. Ambulance services shown to have a deficit in a given calendar year could set a fee to be collected the following year, provided a local government has not already paid one.

Rep. Bill Hilty (DFL-Finlayson), the bill’s sponsor, believes the situation he’s witnessed in his district is common in other parts of the state. Ambulance services are required to care for the people in their regions, “but often many of the recipients of that service are not required or contracted or in any way obligated to pay for that service,” he told the House Housing Finance and Policy and Public Health Finance Division March 23.

O.J. Doyle, a lobbyist for the Minnesota Ambulance Association, agrees. Some local government units already subsidize ambulance services, but not all. In some areas, there’s an attitude of, “Why should we pay them? They have to do it anyway,” Doyle said.

Rep. Brita Sailer (DFL-Park Rapids) said she was concerned how additional fees would affect local governments dealing with cuts



in state aid. Doyle replied that it was not the intention to increase the burden on local officials. Ever since a drastic cut to Medicaid reimbursement in the late-1990s, ambulance services have worked with lawmakers to find creative solutions to lost funding, he said. At the same time, the costs associated with 24/7 ambulance availability continue to rise.

The bill was laid over for possible omnibus bill inclusion. Sen. Tony Lourey (DFL-Kerrick) sponsors a companion, SF3248, which awaits action by the Senate Finance Committee.

— L. RADOMSKI

### Supplemental budget in early April

The House Health Care and Human Services Finance Division will wait until early April to release its supplemental budget bill.

Cuts in the bill will be significantly less than originally expected, Division Chairman Rep. Thomas Huntley (DFL-Duluth) said. Policymakers anticipated upwards of \$300 million in cuts earlier in the session; the current projection is \$154 million.

“My guess is that it will get somewhat better,” Huntley said. He believes the figure could fall to around \$100 million by the time division members are scheduled to discuss the proposal April 6.

The \$154 million projection assumes Congress will extend a temporary increase in the federal government’s share of state

Medicaid expenses. Minnesota is expected to see an influx of \$408 million should the extension pass. The budget target also reflects reduced costs associated with General Assistance Medical Care.

Another major factor in the budget planning process is the passage of federal health care reform. Beginning April 1, states will have the ability to expand Medicaid eligibility with financial help from the federal government. That would mean major changes for Medical Assistance, Minnesota’s Medicaid program.

“Instead of a state-funded program where there’s no federal rules or criteria, now we’re subject to all of the Medicaid rules and criteria, and there are a lot,” Department of Human Services Assistant Commissioner Brian Osberg told the House Health Care and Human Services Finance Division March 24. He is waiting on the Centers for Medicare and Medicaid Services to detail the eligibility criteria and benefits package associated with the Medicaid expansion.

Some legislators are eager to see the federal changes implemented in Minnesota. Huntley sponsors HF3713, which would expand Medicaid coverage to childless adults under 75 percent of federal poverty guidelines beginning April 1. The division took no action on the bill, whose companion, SF3310, sponsored by Sen. Linda Berglin (DFL-Mpls), awaits action by the Senate House and Human Services Budget Division.

— L. RADOMSKI

## HIGHER EDUCATION

### A shorter path to work

Students in technical education programs could find a shorter path into the workforce, under a bill approved by a House committee.

Sponsored by Rep. Joe Mullery (DFL-Mpls), HF2499 would require the Minnesota State Colleges and Universities system to study ways that students in technical programs could earn work credentials with fewer credits. Students could be more quickly certified to work in their fields, while still earning credits that could apply to a degree later on.

Mullery said the idea is to create a “ladder” to help people, especially in minority communities, work their way up through college programs while also establishing a career.

“They can get to work with the certificate and then build the ladder and go up — first to livable wage jobs and then to much better jobs later,” Mullery said.

The House Finance Committee approved the bill March 22 and sent it to the House

floor. A companion, SF3247, sponsored by Sen. Ken Kelash (DFL-Mpls), awaits action by the Senate Higher Education Committee.

The bill would direct MnSCU to collaborate with the Minnesota Chamber of Commerce, labor unions and representatives of industry groups on the study, and report back to the Legislature by Feb. 15, 2011.

JoAnn Simser, MnSCU’s state director for career and technical education, testified in support of the bill, and said MnSCU is already working on “a number of initiatives that support this effort.”

Committee Chairman Rep. Lyndon Carlson, Sr. (DFL-Crystal) told Simser he has heard complaints about some community and technical colleges closing down programs because not enough students in them are earning degrees, even though they’re getting the required work credentials. Simser responded that MnSCU would look into the issue.

— N. BUSSE

## HOUSING

### Home warranty dispute resolution

Helping homeowners and contractors resolve home warranty disputes out of court is the goal of a bill that received an informational hearing March 23.

Sponsored by Rep. Marsha Swails (DFL-Woodbury), HF3386 is proposed as a way to avoid costly court battles over home repairs or new construction that homeowners believe to be faulty. It would provide an alternative dispute resolution process through the Department of Labor and Industry, and clarify expectations for contractors and homeowners to inspect and repair damaged property.

Charles Durenberger, enforcement services manager at the department, said the bill stems from legislation vetoed last year by Gov. Tim Pawlenty that would have allowed homeowners to recoup attorney’s fees when they prevail in a lawsuit against a builder. After he vetoed the bill, Pawlenty directed the department to look for ways homeowners and builders could avoid lawsuits altogether.

Durenberger said he put together a stakeholder task force that met several times last year to hammer out an agreement that would be amenable to all sides. He said the task force included builders and insurers, as well as homeowners who had been through legal disputes “to the bloody end.”

“What we were trying to do was come up with a proposal that we could get in bill form that everybody could live with,” Durenberger said.

Swails hopes the compromise outlined in the bill will help resolve an issue that she said



PHOTO BY ANDREW VONBANK

**Amy Goodlin, whose son suffers from severe allergies, testifies before the House Housing Finance and Policy and Public Health Finance Division March 24 in support of the omnibus public health bill.**

has been ongoing for many years, including in her own community.

"I come from a community, Woodbury, that has been hard hit by a lot of homes that have water intrusion issues, mold. I've been in several of those homes. I've seen that damage that has been done," she said.

The House Higher Education and Workforce Development Finance and Policy Division held an informational hearing on the bill. Swails said she expects the House Finance Committee to hold a hearing and act on it sometime after the Passover/Easter break.

A companion, SF2832, sponsored by Sen. Kathy Saltzman (DFL-Woodbury), has been laid over for possible omnibus bill inclusion by the Senate Economic Development and Housing Budget Division.

— N. BUSSE

### Housing spending approved

Proponents of a \$30 million housing bill say the legislation could result in about 1,200 new construction-related jobs. The big question is whether the state can afford it.

Rep. Karen Clark (DFL-Mpls) sponsors HF3678, which would permit the Housing Finance Agency to issue up to \$30 million in "challenge program bonds" for its Economic Development and Housing Challenge program, which offers an incentive for private employers to contribute to affordable housing projects. The money would be distributed as grants and loans for land acquisition and projects meeting program standards.

The bill received broad support from housing developers and construction representatives at a meeting of the House Housing Finance and Policy and Public Health Finance Division March 16. Proponents called the legislation a jobs bill that would provide needed housing and jump-start the struggling construction industry.

"We all know that housing was the impetus for the economic collapse affecting us all, and until we fix housing, we won't return from the brink of this collapse," said Kim Voss, housing director for Interfaith Outreach and Community Partners in Wayzata.

Clark amended the bill at a division meeting March 24 after HFA officials said they were concerned the bonds would have limited marketability with only the backing of the agency. Under the amendment, debt service would be paid through the General Fund with money withheld from the HFA's challenge fund. Each year through fiscal year 2023, the HFA would receive any of the withheld money that wasn't spent on debt service.

Jeanette Blankenship, HFA policy specialist, said the agency is uncomfortable with the prospect of using current appropriations

to pay off bonds, thus reducing immediate cash flow. Blankenship is also concerned the proposal would set a precedent of individual agencies issuing bonds, rather than going through Minnesota Management & Budget.

Clark reiterated that the bill is permissive and does not require the HFA to issue bonds.

Division members approved the amended bill 8-4 in a roll call vote, sending it to the House Finance Committee. A companion, SF3273, sponsored by Sen. David Tomassoni (DFL-Chisholm), awaits action by the Senate Health, Housing and Family Security Committee.

— L. RADOMSKI

## HUMAN SERVICES

### House, Senate pass GAMC bill

A compromise between Gov. Tim Pawlenty and legislators on how to provide basic medical services to an estimated 35,000 low-income Minnesotans awaits action by the governor.

The bill was passed 121-12 by the House March 24 and 50-12 by the Senate the same day.

Sponsored by Rep. Erin Murphy (DFL-St. Paul) and Sen. Linda Berglin (DFL-Mpls), HF802/SF460\* proposes a replacement for General Assistance Medical Care. Beginning June 1, the GAMC population would be served under partnerships of hospitals and clinics — so called "coordinated care delivery systems." These systems would receive state reimbursement for their care of GAMC patients, but at significantly reduced

rates. Hospitals choosing not to participate could receive temporary funding through November.

The current GAMC program is scheduled to end April 1. Under the reform bill, providers would be paid on a fee-for-service basis during the month before the implementation of coordinated care.

On the House floor, lawmakers praised Murphy and Rep. Matt Dean (R-Dellwood) for leading a bipartisan effort to find a solution.

"I think it's important for the people of Minnesota to understand that when we are faced with incredibly challenging issues, this body can work, this process can work for the people that our programs serve and for the people that pay the bills," said Rep. Paul Kohls (R-Victoria).

Murphy reiterated what the reform bill would mean for people "who live in the shadows of our society."

"We have said, 'You still matter to us and even though we don't have a lot of money, we're going to make sure that you get the care that you need.'"

Legislators were also realistic about the bill's shortcomings, particularly the effect on health care providers. Rep. Thomas Huntley (DFL-Duluth) said the proposal is underfunded to the point where some reforms may not work.

Rep. Paul Thissen (DFL-Mpls) was among a handful of Democrats who voted against the legislation, saying the governor had downsized the proposal to the point of being "unworkable."

"Members, by passing this bill today, we are giving into a governor who holds good policy hostage like a playground bully," Thissen said.



PHOTO BY TOM OLMSCHIED

Rep. Erin Murphy, right, receives a hug from Rep. Patti Fritz after the House voted 121-12 March 24 to pass the GAMC compromise legislation.

# Opera House seeks Santa's help

As a child, Rep. Dean Urdahl (R-Grove City) first met Santa Claus at the Litchfield Opera House. Now he's hoping that Santa Claus — in the form of a \$600,000 grant through the arts and cultural heritage fund — will help with efforts to renovate and restore the building.

Built in 1901 and listed on the National Register of Historic Places, the structure is now owned by a nonprofit that is "restoring it to its original grandeur," Urdahl told the House Cultural and Outdoor Resources Finance Division March 24.

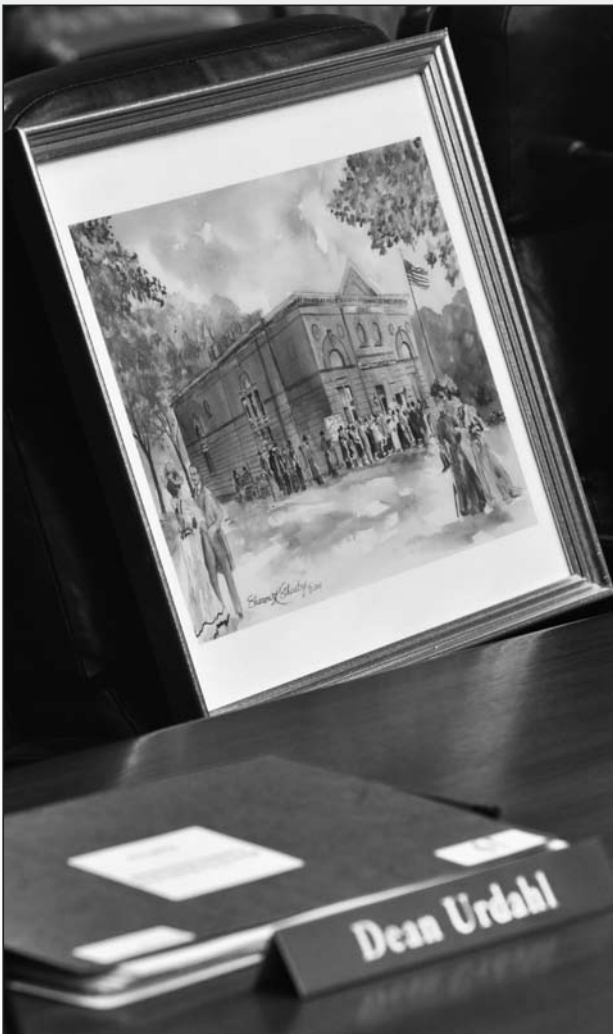


PHOTO BY TOM OLMSCHIED

**An illustration of the Litchfield Opera House rests on the chair of Rep. Dean Urdahl prior to the March 24 House Cultural and Outdoor Resources Finance Division hearing. Urdahl sponsors a bill to seek funds for restoration of the historic landmark.**

A longtime advocate for the building's preservation, he took a unique approach as he sought division approval to have HF2632, which would appropriate the funds, held over for possible inclusion in an omnibus bill. There is no Senate companion.

As part of his presentation, Urdahl read a poem — a parody on Dr. Seuss' "How the Grinch Stole Christmas" — that he'd written several years ago, and was printed in the Litchfield newspaper.

— L. SCHUTZ

## The Opera House Grinch

by Rep. Dean Urdahl

Every Litch  
Down in Litch-ville  
Liked old buildings a lot  
But the Grinch  
Who lived in West-Litch  
Did Not!

The Grinch hated old buildings  
Tear them all down he said  
We need them no more, the builders are dead  
We need not the red courthouse, he snapped  
The Depot is gone, the old library's crap  
And what of downtown, old structures of brick  
Demolish them all before I get sick

The Duchess of 4th Street was fairly aghast  
These buildings are special, we must make them last  
We can't build them up once they are down  
This is our history, the heart of our town.  
The Grinch snarled at Duchess, his eyes burning bright  
"And get that darn Opera House out of my sight."

It's an ugly old building, the walls full of mold  
And Santa never went there, whatever I'm told  
It's not worth the money and it has no use  
Smash every brick so we've no more to lose.  
The Duchess turned pale, she said quiet as a mouse  
"You want to destroy our dear Opera House."

"The State has money, a nice tidy sum  
Not just this year, but for years to come.  
And as for uses, the House has a mission  
It just takes some planning and people with vision.  
Litch-ville is proud of its buildings and trees  
We must keep who we are, I beg you please."

The Grinch wiped his brow with one ink stained hand  
I'm sorry he said but we saved the bandstand  
That will have to suffice there's no more to do  
I cannot agree with those thinking like you  
Let someone else save it, his heart doubled in size  
But not the city, try free-enterprise.



Murphy successfully amended the bill to include technical language recommended by the Department of Human Services and agreed upon by the governor.

— L. RADOMSKI

### Pharmacy rates approved

More Minnesota communities could lose their pharmacies if legislators do not restore Medicaid reimbursement rates to 2009 levels.

That's according to representatives of the Minnesota Pharmacists Association, who testified before the House Health Care and Human Services Finance Division March 18. According to Executive Director Julie Johnson, while the Legislature has decreased reimbursement rates to pharmacies numerous times over the past several years, the biggest blow came last September, when the settlement of a federal lawsuit resulted in changes to funding formulas used nationwide. The local effect was a further reduction in the reimbursement pharmacies receive from the Department of Human Services.

"We're not asking for an increase in what the state pays us," Johnson said. "We're asking that the state do the right thing and maintain reimbursement as it was prior to the benchmark changes that occurred industry-wide."

Their request takes the form of HF3266, which would modify the Medicaid pharmacy reimbursement rate to offset any reduction in payment as a result of the federal lawsuit. Sponsored by Rep. Erin Murphy (DFL-St. Paul), the bill was held over for possible inclusion in a division omnibus bill. Sen. Yvonne Prettner Solon (DFL-Duluth) sponsors a companion, SF3146, which awaits action by the Senate Health and Human Services Budget Division.

Many pharmacies around the state are already struggling. For every Medicaid prescription that a pharmacy fills, it must fill two and a half additional prescriptions to break even, said Jeff Lindoo, a pharmacist who spoke on behalf of the pharmacy community.

It's to the point where some pharmacies will not fill Medicaid prescriptions. In April, Walgreens intends to stop accepting new Medicaid patients in Washington state, where rates are actually better than in Minnesota, Johnson said.

She is concerned failure to reinstate previous reimbursement rates will lead more pharmacies to close. Seventy-six Minnesota pharmacies closed in 2009; about one-third were located in rural communities. These losses are detrimental, as patients lose vital access to appropriate health care, Johnson said.

— L. RADOMSKI

## INDUSTRY

### Preventing lead poisoning

Contractors performing renovations on old buildings may have to comply with federal regulations meant to prevent lead poisoning.

On March 23, the House Higher Education and Workforce Development Finance and Policy Division approved HF3293. Sponsored by Rep. Karen Clark (DFL-Mpls), the bill would bring the state building code into compliance with federal law.

The Environmental Protection Agency requires contractors who renovate buildings built prior to 1978 to take steps to mitigate hazards associated with lead-based paint, and also requires certification for contractors who perform the work. The bill would let the state's Department of Labor and Industry enforce compliance with those rules.

Dan Newman, executive director of the Sustainable Resources Center, said the bill is meant to protect both consumers and contractors. He added that it does not create any requirements above and beyond the federal law.

"The EPA is moving very quickly to get firms certified, and there are a number of training providers in Minnesota working as hard as possible to get people trained," he said.

The bill now goes to the House Finance Committee. A companion, SF3128, sponsored by Sen. Ken Kelash (DFL-Mpls), awaits action by the full Senate.

— N. BUSSE

### Accountant requirements clarified

Signed  
by  
the  
governor

Certified public accountant licensing standards will be clarified, under a new law.

Sponsored by Rep. Joe Atkins (DFL-Inver Grove Heights) and Sen. Ann Rest (DFL-New

Hope), the law consists of technical changes to clarify current statutes regarding CPAs.

Changes brought by the new law include adding the word "certified" in front of "public accountant" in several areas of statute, and adding "in accordance with" in other areas.

The law is effective Aug. 1, 2010.

HF2706\*/SF2252/CH191

— N. BUSSE

### New rules for real estate agents

Signed  
by  
the  
governor

Beginning next year, real estate agents in Minnesota will have to comply with new continuing education requirements.

A new law sponsored by Rep.

Joe Atkins (DFL-Inver Grove Heights) and Sen. Linda Scheid (DFL-Brooklyn Park) adds a number of requirements supported by the Minnesota Association of Realtors.

Effective Jan. 1, 2011, residential real estate brokers and sales associates must receive several hours of training each year in a "module" format that covers topics of current interest to the profession. A test on the material will be required, and the Department of Commerce must approve the training. The requirement does not apply to commercial realtors.

Additionally, beginning July 1, 2011, real estate associates will have to acquire three years' experience before they can take their real estate broker's examination. Previously, the law required only two years of experience.

Atkins said the real estate industry asked for the changes because they want to enhance the professionalism of those in their industry.

HF2856\*/SF2512/CH190

— N. BUSSE

## LAW

### Audio, videotape evidence

Action seen or heard on a tape should be able to speak for itself. But that is not always the case in some Minnesota courts.

Sponsored by Rep. Steve Simon (DFL-St. Louis Park), HF212 would clarify that a pretrial filing of a written transcript from an audio or videotape in a law enforcement vehicle is not a prerequisite for admission of that recording evidence in a criminal trial or a DWI license revocation hearing.

Passed 130-0 by the House March 23, it awaits action by the full Senate. Sen. Leo Foley (DFL-Coon Rapids) is the Senate sponsor.

"In some jurisdictions in some parts of the state there are courts that are reading into the law a requirement that is not there," Simon said.

Simon previously said all state patrol vehicles and many other police vehicles have dashboard cameras and that there are "tens of thousands of cases" recorded annually. "If every judge were to do this, there would be virtual paralysis in law enforcement of having to produce a transcript each and every time." Simon noted many cases don't even go to trial; thereby potentially forcing agencies to make the time and cover the expense of producing an unneeded transcript.

— M. COOK

If you have Internet access, visit the Legislature's  
Web page at: [www.leg.mn](http://www.leg.mn)

## LOCAL GOVERNMENT

### Town hall meeting minutes

Outdated references to how town hall meeting minutes are signed would be removed from state law, under a bill heading to the governor's desk.

Sponsored by Rep. Jeanne Poppe (DFL-Austin) and Sen. Tony Lourey (DFL-Kerrick), HF3468/SF3167\* would allow the town clerk and a meeting moderator to sign the meeting's minutes. If the town clerk is the moderator, the minutes would also have to be signed by a supervisor in attendance.

The bill was passed 130-0 by the House March 23; 64-0 by the Senate March 17.

Poppe said the changes come at the request of the Minnesota Association of Townships because elections were previously held simultaneously with town hall meetings. Now that events are separate, statutes need to reflect the changes.

— P. OSTBERG

### County could appoint its recorder

Mower County would like to join 27 other counties that allow certain county officers to be appointed, rather than elected.

Rep. Jeanne Poppe (DFL-Austin) sponsors HF3335, which would allow Mower County to make its office of county recorder an appointed position, subject to an 80 percent vote of the county board.

Passed 88-45 by the House March 24, it now goes to the Senate where Sen. Dan Sparks (DFL-Austin) is the sponsor.

Poppe said the issue is "time-sensitive" because the current county recorder, who has held the office for 35 years, is nearing retirement, and the bill would allow the county to hire someone "with the knowledge, skills and abilities to do the job."

Although the bill provides for public input and a reverse referendum option, Rep. Torrey Westrom (R-Elbow Lake), unsuccessfully offered an amendment to require an election to decide whether the office will remain appointive, or the office would revert to election by 2012. He said he wanted to stop the "creep" of "continuing to erode locally elected positions."

Westrom pointed out there is already a process for residents and locally elected boards to vote to make some county positions appointed, "but they shouldn't come to the Legislature and have us bypass this local process."

"It's just time to do it this way. I've done it twice. Rep. Kohls has done it," said Rep. Larry Howes (R-Walker). He pointed out the bill includes a reverse referendum option if local voters want to maintain the elected office.

— K. BERGGREN

### Redistricting commissioners

With the 2010 U.S. Census in gear, the possibility of redistricting is on elected officials' minds, from Congress to local school boards.

In Minneapolis, the school board was recently restructured by voter referendum, from an all at-large board to one composed of six members representing specific zones and three at-large members. Now it seeks permission to appoint two members to that city's redistricting commission, in lieu of current commission members appointed by the majority and minority caucuses of the city council.

Rep. Jim Davnie (DFL-Mpls) sponsors HF2360 that would allow the board to appoint two members to serve on the commission to help redistrict school board districts, but not city council wards. The reverse would hold true for the city council-appointed members, who would be excluded from helping to redistrict the school board districts.

The House passed the bill 129-0 March 23. It now goes to the Senate, where Sen. Patricia Torres Ray (DFL-Mpls) is the sponsor.

Under the bill the new districts would, to the extent possible, hold equivalent distribution of population; retain concentration of racial or language minority populations; consist of "contiguous compact territory;" and, when possible, feature boundaries that run mostly east to west or north to south.

Rep. Laura Brod (R-New Prague) said Sen. Larry Pogemiller (DFL-Mpls) sponsors a bill with the same provisions for legislative districts, and she offered an amendment that reflects "bipartisan agreement that the redistricting process is broken." She hoped that "thinking ahead" about a statewide redistricting process would help to avoid engaging courts in future decisions.

The amendment was ruled out of order after Davnie pointed out it would have amended a statute not included in the bill, "dramatically expanded" the bill's scope, and required a change in the bill's title.

— K. BERGGREN

### Joint powers can include tribes

Signed  
by  
the  
governor

The Mille Lacs Band of Ojibwe was invited to participate in the Northern Lights Express Coalition, a joint powers agreement advocating a railroad project from the Twin Cities to Duluth. The band did so and paid \$48,000 in dues, but discovered that because of an old law excluding tribes from such agreements it could not participate as a voting member.

Gov. Tim Pawlenty signed a new law March 24 that now allows the Mille Lacs Band and

other federally recognized Indian tribes, as well as the Minnesota Historical Society, to enter into joint powers agreements. It is effective Aug. 1, 2010.

Rep. Bill Hilty (DFL-Finlayson) and Sen. Ann Rest (DFL-New Hope) sponsor the law, which Hilty said allows tribes to collaborate with other government entities on shared services such as education, transportation, emergency management, emergency response and economic development.

HF2797/SF2259\*/CH193

— K. BERGGREN

### Duluth rec. area board expansion

The Spirit Mountain Recreation Area Authority operates a Duluth ski area that plans to expand to offer four-season activities and draw more tourism, according to Rep. Roger Reinert (DFL-Duluth).

He said the state authority's board of directors has been working hard to make that happen, and would like to increase from a seven-member board to nine members. Adding two more volunteer members who do not receive any per diem would cost the state nothing, but would help the board carry out its strategic expansion plan, Reinert said.

He sponsors HF2786 that would make the necessary legislative change to expand the board. The House passed the bill 119-10 March 23. It now goes to the Senate, where Sen. Yvonne Prettner Solon (DFL-Duluth) is the sponsor.

An amendment unsuccessfully offered by Rep. Mark Buesgens (R-Jordan) would have abolished the authority, and required the sale of the recreation area to private ownership. He said that while the area "does good things for Duluth" and visitors, all levels of government should re-examine priorities.

"What should government be all about? What should we leave the private sector to do?" he asked, urging members to "stand as a single body and say we are doing things differently" by focusing "on the main thing. That is solving the state's budget problems and fundamentally reforming government and its relationship to the people."

— K. BERGGREN

## SAFETY

### Penalties for guns at school

It used to be that a fistfight would solve problems at school; however, some students now use weapons to settle their differences.

Rep. Sandra Peterson (DFL-New Hope) believes judges should have more options in sentencing someone who brings a firearm to a place of learning.

She sponsors HF3423 that would increase



PHOTO BY ANDREW VONBANK

**Joseph Olson, left, president of the Gun Owners Civil Rights Alliance of Minnesota, and Plymouth Police Chief Mike Goldstein testify before the House Public Safety Policy and Oversight Committee March 18 in support of a bill that would increase the criminal penalty for possessing dangerous weapons on school property.**

the penalty from a gross misdemeanor to a felony for knowingly possessing, storing or keeping a firearm on school grounds. It also decreases the penalty for whoever knowingly “uses or brandishes a replica firearm or a BB gun” on school property from a felony to a gross misdemeanor.

Approved March 18 by the House Public Safety Policy and Oversight Committee, the bill awaits action by the House Public Safety Finance Division. A companion, SF2339, sponsored by Sen. Ann Rest (DFL-New Hope), awaits action by the full Senate.

Plymouth Police Chief Mike Goldstein said when a weapon is brought to school the offense usually results in a school suspension or expulsion and criminal charges. “For those who are convicted of weapons-related offenses on school property, the severity level in this case dealing with firearms is a Level I felony, the lowest felony on the sentencing guidelines chart. ... Without a significant criminal history, these criminals face little to no consequences for their actions.” He said bringing a weapon into a courthouse or the Capitol is a severity level four. “We would argue that a school environment should receive the same consideration.”

Rep. Paul Kohls (R-Victoria) called it “a good bill,” but is concerned for the student who unintentionally brings a gun to school, such as leaving a rifle in a vehicle after hunting over the weekend.

With the word “knowingly” in the bill, Peterson said it implies the student knows

what they’re doing, and it isn’t just an accident. “We’re talking here about students who come with the intent — the intent — to do bodily harm. I think those are the ones who we need to look at the sentencing guidelines (for) and give the judge more leeway.”

— M. Cook

### Chemical screening for juveniles

When a juvenile is found delinquent, a court must order a mental health screening. It may not be the only evaluation.

Sponsored by Rep. Joe Mullery (DFL-Mpls), HF3137 would also require a chemical use screening upon a finding of delinquency. “We want to find out as soon as possible if they have any chemical addictions so that we can start getting them treated right away. That’s the best way to stop them from further crime,” he said.

Approved March 18 by the House Public Safety Policy and Oversight Committee, the bill awaits action by the full House. A companion, SF2804, sponsored by Sen. Mee Moua (DFL-St. Paul), awaits action by the full Senate.

Cheryl Kreager, associate director of the Juvenile Justice Coalition of Minnesota, said the bill came from the coalition’s substance abuse work group. “The screening tools that are currently approved by the Department of Human Services to do the mental health screenings can be used for the chemical use screening as well, so we don’t need any additional screening tools, we don’t really need any additional training for this.”

Current screening involves asking general questions about alcohol use and its effect on the person’s life to see if follow-up is needed.

If the score indicates a youth needs a chemical health referral they are referred for a chemical health assessment. “We may end up assessing more kids with chemical health use, but that actually would save us in the long run,” Kreager said.

Kreager said courts are not prohibited from now ordering this screen, but they typically order a chemical health assessment only if the infraction was related to chemical dependency.

— M. Cook

### Keeping juvenile sex offenders away

For one family in the district of Rep. Keith Downey (R-Edina), a tragic story got much worse after legal action was complete. He hopes to update state statute so it does not happen elsewhere.

HF2845 would explicitly state that a court could ban a juvenile convicted of first- or second-degree criminal sexual conduct from residing “within 1,000 feet or three city blocks, whichever distance is greater, from the victim for a portion or the entire period that the court has jurisdiction over the child.” The court would not have to make a written finding as to why this is in the best interest of the juvenile offender.

The House Crime Victims/Criminal Records Division held an informational hearing on the bill March 18.

In the case in Downey’s district, a boy sexually abused the elementary school girl who lived next door. The case was plea-bargained down to a second-degree offense, and the boy spent a few months in rehabilitation before being sent back home.

“As things unfolded, the family came to the full experience of what it meant to have their next-door neighbor, who has literally raped their child, be placed back in the home next door to them, and realize the impact on their family and on their daughter out in the yard, and going to the bus stop in the morning,” Downey said. “It feels like the victim ends up getting punished.”

Courts already have the right to impose such a restriction; however, Downey said the bill’s goal is awareness that a family going through the plea-bargain process clearly understands that they have this option.

“Oftentimes, in order to affect public policy change, you need to put express language in the statutes so that the judges are educated and feel like they’re able to do it,” said Rep. John Lesch (DFL-St. Paul), the division chairman.

Added Rep. Jenifer Loon (R-Eden Prairie),



"There needs to be a better balancing of victim's interest in full recovery along with the rehabilitation of the offender."

A companion, SF2473, sponsored by Sen. Geoff Michel (R-Edina), awaits action by the Senate Judiciary Committee.

— M. Cook

### Crime coordination council creation

Most law enforcement officers are professional in their duties, but the troubles of the Metro Gang Strike Task Force gave a black eye to criminal enforcement teams.

Rep. Michael Paymar (DFL-St. Paul) wants to make sure what happened with that unit doesn't happen again.

He sponsors HF2965 to create a 17-member Violent Crime Coordinating Council to provide certification requirements for multijurisdictional violent crime enforcement teams, and guidance in investigating and prosecuting gang and drug crimes. Approved March 23 by the House Public Safety Finance Division, the bill awaits action by the House Finance Committee.

A companion, SF2725, sponsored by Sen. Mee Moua (DFL-St. Paul), awaits action by the Senate Finance Committee.

A big change would be authority given the public safety commissioner.

When the commissioner became aware of the gang strike force problem all he could do was shut off funding, but the force's advisory board continues to exist. It would be dissolved, under the bill.

"The commissioner, under this bill, would have to certify the multijurisdictional entities and their designated fiscal agent," Paymar said. "This way if it is determined there were any problems going on with these gang strike forces the commissioner could close them down."

Two reports from last summer indicated that 10 or 12 gang strike force officers may have illegally taken cash or property from people with no gang connections. The reports indicate that cash was missing from strike force storage areas and some property was allegedly taken for personal use by officers.

"We had a situation where the commander, the advisory board and the fiscal agent all seemed to not hold the officers accountable, and we had a period of time where you essentially had a rogue law enforcement entity that really was a black mark on law enforcement. This bill hopes to correct some of those problems," Paymar said.

Melvin W. Carter, a retired St. Paul police officer, knows much needs to be done. "The main tool that law enforcement has above all is trust in the community. ... We've got a lot of credibility to rebuild."

— M. Cook



PHOTO BY ANDREW VONBANK

**Melvin W. Carter, a retired St. Paul police officer, right, testifies March 23 before the House Public Safety Finance Division in support of a bill that would provide greater oversight and accountability for multi-jurisdictional violent crime enforcement teams. Rep. Michael Paymar, left, sponsors the bill.**

## STATE GOVERNMENT

### PFA authority could expand

The Minnesota Public Facilities Authority provides financing programs to help communities build or improve their wastewater treatment and drinking water facilities. Due to an infusion of federal stimulus money last year, the PFA saw an increase in the scope of its work and increased grant-making ability.

Rep. Kory Kath (DFL-Owatonna) sponsors HF2925 that would allow the agency authority to hire staff; make changes to mirror state law with federal language; and expand the type of projects eligible for grants from the Clean Water Revolving Fund.

Currently residing under the Minnesota Department of Employment and Economic Development, the bill would make the PFA its own entity.

"It looks as if we are looking at creating the PFA into a new department," Rep. Mark Buesgens (R-Jordan) said. "To be growing government is befuddling to me."

Kath said the language dealing with staffing necessitated the "umbrella change, if you will, to make sure we are contractually meeting the obligations of the bondholder covenants."

However, it was a major change proposing to double the amount of local bonding authority the agency had the ability to guarantee from \$500,000 to \$1 million for new projects that stopped the bill's forward

progress in the House Finance Committee March 21 where it was rerouted to the House Taxes Committee.

Deputy Director Jeff Freeman said when a city, county or school district bonds for some certain type of projects, the state provides a limited guarantee for the debt obligation. The guarantee provides local governments a chance at a better interest rate. He said the agency has reached the \$500,000 limit, and if the threshold is not raised, it could not offer more credit enhancement opportunities.

Rep. Ann Lenczewski (DFL-Bloomington), chairwoman of the House Taxes Committee, and its Republican-lead, Rep. Laura Brod (R-New Prague), argued that this expanded authority could impact local taxpayers, if for some reason the local entity issuing the bonds would default. This could result in a property tax increase, they said. "It is the tax committee that oversees local debt," Lenczewski said. The bill was heard in the House Taxes Committee March 24, where it was approved and sent to the House floor.

The companion, SF2873, sponsored by Sen. Dennis Frederickson (R-New Ulm), awaits action by the Senate Finance Committee.

— L. SCHUTZ

### Executive agency reductions

Middle management positions and certain state contracts would be reduced under a bill approved March 18 by the House State Government Finance Division.

Sponsored by House Majority Leader Tony Sertich (DFL-Chisholm), HF2690 would require executive branch agencies to reduce professional and technical contracts with out-of-state businesses by about 4.4 percent, prohibit out-of-state travel, eliminate 65 managerial positions and reduce the number of commissioners and assistant commissioners by 25 percent, including nine specific positions. The cuts would produce about \$15 million in savings.

If the 4.4 percent reduction cannot be achieved, the commissioner of Minnesota Management & Budget must attain the savings through executive branch state agency operating budgets.

The bill would further restrict the governor from adding full-time managerial positions during a projected deficit.

"I think in these tough economic times we should prioritize ... if we're spending taxpayer dollars they should be in Minnesota businesses," Sertich said. He also noted that Gov. Tim Pawlenty currently has two deputy chiefs of staff. "I think during this time a chief executive could do with one."

"In general, going after the targeted group level of employment that you are is probably the right one," said Rep. Keith Downey (R-Edina). As technological abilities increase, the need for mid-level management positions goes down, he added. He did say the bill was overly prescriptive in naming of specific positions.

"Why would you not set a goal, rather than wholesale elimination of all these jobs?" asked Rep. Mary Liz Holberg (R-Lakeville). Savings could still come from some reductions rather than "decimating" family budgets of the people who hold the managerial positions, she said.

"The only way to actually book and realize the savings ... is to be prescriptive," Sertich said.

The bill now goes to the House Finance Committee with a recommended re-referral to the House Ways and Means Committee. A companion, SF2169, sponsored by Sen. Richard Cohen (DFL-St. Paul), awaits action by the Senate State and Local Government Operations and Oversight Committee.

— P. OSTBERG

### Government collaboration

A council to increase collaboration between all levels of government would be created under a bill approved March 18 by the House State Government Finance Division.

Sponsored by Rep. Marsha Swails (DFL-Woodbury), HF2840 would create a 12-member council to:

- review laws and rules that slow collaboration

- efforts and develop recommendations;
- improve delivery of governmental services;
- connect entities and share information through the use of technology;
- facilitate credit and debit card transactions and electronic data interchanges; and
- create model forms for joint powers agreements.

Swails said she and Rep. Carol McFarlane (R-White Bear Lake) traveled the state meeting with several service cooperatives that work with school districts in Greater Minnesota. They also visited with superintendents, counties, local government officials and asked, "What are the obstacles that keep schools, counties, cities and towns from sharing services or collaborating?"

The response is the recommendations in the bill, Swails said.

State Auditor Rebecca Otto said much collaboration has occurred, but it's not enough. "I think we have to continue to work in government to see if there is anything more we can do."

The bill now goes to the House Finance Committee. A companion, SF2511, sponsored by Sen. Ann Rest (DFL-New Hope), awaits action by the full Senate.

— P. OSTBERG

### Open meeting law changes sought

Heading to the House floor is a bill designed to help citizens understand open meeting laws. These definitions are included in a bill approved March 18 by the House State and Local Government Operations Reform, Technology and Elections Committee.

Sponsored by Rep. Gene Pelowski Jr. (DFL-Winona), HF2958 would define a public body and a public meeting. It also would clarify rules in cases where a usual meeting room is not accessible by the public to reflect case law that has been decided over the years as well as several updates to reflect current technology.

"The open meeting law was set up to provide transparency so the public could really see decisions happening," said Laurie Beyer-Kropuenske, director of the Department of Administration Information Policy Analysis Division. There have been several occasions across the state where public bodies have tried to make special rules or ban photographing or recording a meeting by the media, said Beyer-Kropuenske. "We wanted to make it really clear that this is a right that the public has to be able to come to meetings, listen and photograph and record."

If the usual meeting room is not generally accessible to the public, a meeting notice would have to be posted in an area accessible

for public viewing at least three calendar days before the meeting.

Rep. Phyllis Kahn (DFL-Mpls) asked whether it's a violation of the open meeting law if several members of a public body all belong to the same blog, with the assumption that they are on the blog perhaps at the same time.

There's always been a question of members gathering in person, at a coffee shop or online, Beyer-Kropuenske said. "Now with electronic means we have the ability to do e-mails or cell phone records to actually prove that members are doing it ... certainly that could happen."

A companion, SF2518, sponsored by Sen. Ann Rest (DFL-New Hope), awaits action by the full Senate.

— P. OSTBERG

### Service contracts changed

Technical changes would be made to state law as it relates to organizations that employ severely disabled people and contract with the state for services.

Sponsored by Rep. Gene Pelowski Jr. (DFL-Winona), HF3096 was approved 129-0 by the House March 23. It would ensure 19 percent of contracts are awarded to organizations that employ severely disabled workers for janitorial services, document imaging and shredding, mailing, collating and sorting services.

"This will help day activity centers, occupational rehabilitation centers and others to ensure those folks are employed," Pelowski said.

Tom Johnson, representing Minnesota Association of Community Rehabilitation-21, earlier told a House committee that the bill would expand the services that are now covered under state law that require a certain percentage of contracts to be awarded.

The bill now awaits action by the full Senate. Sen. Ann Rest (DFL-New Hope) is the Senate sponsor.

— P. OSTBERG

## TOURISM

### Explore Minnesota changes

A technical change to the Explore Minnesota Tourism Council was approved 130-0 by the House March 23.

Sponsored by Rep. Bud Nornes (R-Fergus Falls), HF3143 would remove the reference of "four" from the tourism marketing regions of the state that have representatives on the council.

John Edman, director of Explore Minnesota Tourism, said the change is merely a housekeeping bill. When the council was



created it had four regions; it now has five.

The bill now awaits action by the full Senate. Sen. Mary Olson (DFL-Bemidji) is the sponsor.

— P. OSTBERG

## TRANSPORTATION

### Collecting outstanding fees

One way to put more money in the state coffers is to make sure outstanding taxes and fees are actually paid.

Since 1998, a unit of the Minnesota State Patrol has investigated collection of unpaid motor vehicle taxes and dealer fraud as it relates to registration fees and taxes. Currently, however, Matthew Hodapp, a 28-year State Patrol veteran, is the unit.

Sponsored by Rep. Debra Hilstrom (DFL-Brooklyn Center), HF3310 would fund at least eight additional troopers to investigate sales tax liabilities from individuals and businesses that currently do not pay all taxes owed; and illegal or improper activity related to sales, transfer, titles and registration of motor vehicles. Hilstrom said the organization previously generated enough revenue to pay its own way. Awaiting a fiscal note, she said that only enough troopers would be hired to ensure the unit is self-supporting.

The bill was approved by the House Transportation Finance and Policy Division March 18 and sent to the House Finance Committee.

When the unit began as a pilot program, there were four officers assigned, but as retirements occurred, officers were not replaced.

One of the tax compliance issues the unit investigates is Minnesota residents who register their vehicles in another state because the fees are less expensive.

A companion, SF3156, sponsored by Sen. Steve Murphy (DFL-Red Wing), awaits action by the Senate Transportation Budget and Policy Division.

— L. SCHUTZ

### North Branch veterans honored

Veterans from North Branch, including Marine Cpl. Johnathan Benson, would be honored by renaming a section of road and a bridge in the community, according to a pair of bills passed by the House March 24.

HF2561 would rename the bridge over Interstate 35 the Veterans Memorial Bridge, in honor of all veterans. HF2575/SF2183\* would rename a stretch of Highway 95 in North Branch the "Corporal Johnathan Benson Memorial Highway." Sponsored by Rep. Jeremy Kalin (DFL-North Branch) and Sen. Rick Olseen (DFL-Harris), both bills were passed 133-0.

## ACCESSIBILITY ADVOCATE

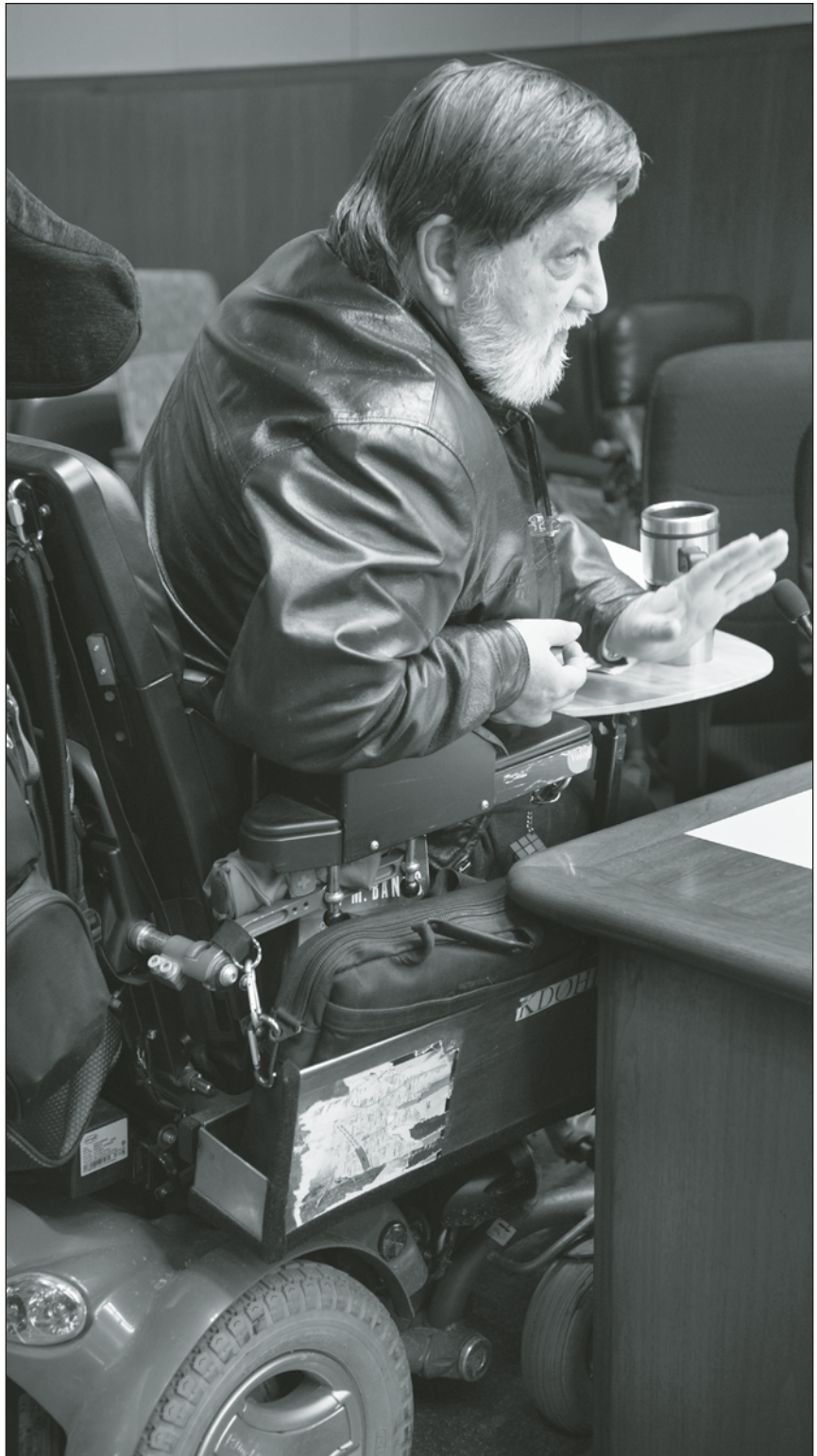


PHOTO BY TOM OLMSCHIED

**Jack Strahan of Minneapolis who is wheel-chair bound, testified on the poor condition of bus shelters that he has encountered as the House Transportation Finance and Policy Division heard a bill March 25 that would require the evaluation of design, maintenance, and accessibility of special service buses at bus shelters.**



The highway bill, passed 66-0 by the Senate March 11, goes to the governor; HF2561 goes to the Senate.

Benson, a graduate of North Branch Area High School, was granted a purple heart when he was wounded during a second tour of duty in Iraq in 2006. He died of his injuries at age 21. The estimated \$1,000 cost for new signs is expected to be paid by community residents, Kalin said.

— S. HEGARTY

### Snow removal allowance passes

Unplowed roads are a public safety hazard, according to Rep. Mike Nelson (DFL-Brooklyn Park), whose snow removal bill passed the House, 133-0, March 24.

HF2231 would allow a road authority to remove snow from unopened or private roads in uncompleted subdivisions where there are five or more lots. The local authority would be required to adopt an annual resolution

finding that a subdivision developer, because of insolvency or pending foreclosure, is unable to maintain the road and that the snow obstructs school buses, public works vehicles or ambulances.

The city or local government could charge the properties within the subdivision for snow removal costs and would be exempt from liability for tort claims resulting from injury to persons or property. It does not exempt road authorities from injury claims due to negligence by the road worker or the local government and its officers.

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

— S. HEGARTY

### Slow down in work zones

When speeds along rural two-lane state highways increased from 55 mph to 60 mph, it had the unintended consequence of increasing speeds in work zones along the highway too.

Current law only allows work zone speeds to be reduced by 15 mph, so Rep. Melissa Hortman (DFL-Brooklyn Park) sponsors HF3263, which would allow the Department of Transportation to reduce work zone speeds on such highways to no more than 40 mph. The House passed the bill March 23 130-0. It awaits action by the Senate Rules and Administration Committee. Sen. Joe Gimse (R-Willmar) is the Senate sponsor.

Rep. Joe Hoppe (R-Chaska) successfully amended the bill to include a requirement that slow-moving vehicles use the far-right highway lane on multi-lane roads. Drivers may be fined \$50 for non-compliance.

Revenue generated by the traffic fines would be deposited into a traffic safety education account in the General Fund. The funds may be used by the State Patrol to conduct traffic safety programs. Driver manuals would be updated beginning in August 2010.

— S. HEGARTY

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## Frequently called numbers

Area code 651

### House Public Information Services

175 State Office Building ..... 296-2146  
**Meeting Hotline, House**  
175 State Office Building ..... 296-9283  
**Chief Clerk of the House**  
211 Capitol ..... 296-2314

### House Index

211 Capitol ..... 296-6646  
**Senate Information**  
231 Capitol ..... 296-0504  
**Secretary of the Senate**  
231 Capitol ..... 296-2344  
Voice mail/order bills ..... 296-2343

### Senate Index

110 Capitol ..... 296-2887  
**Meeting Hotline, Senate**  
231 Capitol ..... 296-8088

# Finding funding

Tax 'jobs' bill struggles its way to the House floor

By LEE ANN SCHUTZ

**A** gallery full of union equipment operators came to the House Taxes Committee March 23 to show their support for HF2695, which carries tax incentives designed to jumpstart the construction industry and get them back to work.

The bill, sponsored by Rep. Ann Lenczewski (DFL-Bloomington), contains a variety of new tax incentives for investors who would provide money for credit-strapped small businesses, historical renovations, and help the Mall of America expand. There is also potential help to keep the Ford Motor Company plant going in St. Paul.

It is expected to be heard on the House floor March 29.

Lenczewski has worked closely with the governor and Senate Taxes Committee Chairman Sen. Tom Bakke (DFL-Cook) to bypass a conference committee and have the measure signed quickly into law. The provisions garnered bipartisan support, but the problem is how to fund the tax credits.

Heard in the committee March 15, the bill languished on the table until a funding source could be found — the amount of credits available would hinge on how much money could be put on the table.

Lenczewski first proposed that at least \$10 million of the \$12.8 million needed for the credits in fiscal year 2011 would come from plugging a loophole in the tax code relating to Real Estate Investment Trusts; however, the anticipated savings turned out to be \$1 million.

## Try, try again

She went back to the drawing board, and on March 23 presented the idea to the committee of having the state retain a personal tax exemption set to phase out. This would

apply to the state's high-income earners. According to the Tax Research Division in the Minnesota Department of Revenue this would raise approximately \$76.6 million to pay for the credit through fiscal year 2015, two years longer than the previous proposal.

However, Revenue Commissioner Ward Einess said this most likely would be unacceptable to the governor.

"This is a \$76 million income tax increase, and he has consistently said he is against that. He thinks there are other options on the table," Einess said. "We don't think raising taxes is needed to achieve this very important goal."

Rep. Keith Downey (R-Edina) said there is enough state revenue to pay for the credits, but leadership should set priorities and not try to fund everything. He said that "revitalizing the business climate would stimulate job creation."

With the clock ticking on her goal to have the bill passed off the House floor by the Passover/Easter break,

which begins March 30, Lenczewski called the committee into recess. Later that evening she proposed to fund the credits by beefing up tax compliance. However, with other bills also relying on greater tax compliance for their revenue, Einess said that, at most, about \$10 million more would be generated. That meant the amount available for tax credits would drop to \$20 million through fiscal year 2013.

Before the committee approved the bill and sent it to the House Ways and Means Committee, there was a last minute plea to add language for another project.

Duluth is in the running to become the North American headquarters for a European wind turbine company — and potentially 1,300 new jobs. Up against an aggressive set of incentives from Ohio, Rep. Roger Reinert (DFL-Duluth) asked that provisions

Taxes continued on page 22



PHOTO BY TOM OLMSCHIED

Operating engineers fill the hearing room March 23 to listen to the House Taxes Committee discuss a bill that would encourage job creation.

# Building a better unemployment system

Omnibus workforce policy bill includes help of laid-off workers

By Nick Busse

**M**innesotans lost in the labyrinth of the state's unemployment insurance system might get some help from a bill that won division approval March 25.

Sponsored by Rep. Mike Obermueller (DFL-Eagan), HF2781 is the House's omnibus workforce development policy bill. It contains a number of provisions designed to make life easier for laid-off workers trying to access their unemployment insurance benefits.

Approved by the House Higher Education and Workforce Development Finance and Policy Division, the bill now awaits action by the House Finance Committee.

One provision would require each of the state's 47 workforce centers to have at least one staff

member on hand to answer questions about unemployment insurance. Obermueller says the current system, which relies on a central phone service to answer applicants' questions, does an inadequate job of helping some people.

"We're realizing that there's some value in having someone in the center who can actually help person-to-person," Obermueller said.

Along the same lines, the bill would create a staff of 10 unemployment benefit specialists within the Department of Employment and Economic Development. These staff members would help correct errors on benefit applications and resolve other issues that could lead to an unemployment claim being denied. Obermueller said simple mistakes such as an applicant checking a wrong box on their application often force them into a

time-consuming appeals process.

"It's somebody who can kind of take a second set of eyes on your case and say, 'Hey, here's the easy, obvious fix,'" Obermueller said. "It'll actually save a lot of appeals, I think."

A more controversial provision would make it more difficult for employers to deny a benefit claim because of employee misconduct.

Current law states that employees who are fired for misconduct are eligible for unemployment benefits unless their conduct constitutes a "serious" violation of the

employer's standards of behavior. Obermueller said unemployment law judges often ignore that threshold when making determinations on benefit claims.

"It can't just be that you deserve to be fired," Obermueller said. "Do you also deserve the additional punishment of losing your unemployment benefits?"

The bill would make it clear that an employee's conduct has to be very egregious in order for them to lose their eligibility for unemployment benefits. Obermueller believes it would merely

be reaffirming the intent of the current law, but other House members disagree.

Rep. Sarah Anderson (R-Plymouth) argued the provision would have the effect of rewarding bad behavior. She unsuccessfully offered an amendment that would have removed it from the bill.

"I just don't think that when it comes to individuals that have been that negligent... that they should qualify for unemployment insurance benefits," she said, adding, "If someone intentionally goes against what is involved in their work on a daily basis, that is a bad employee."

Another controversial provision would extend benefit eligibility to some temporary staffing agency workers who choose not to keep taking temp jobs.

With the job losses that resulted from the recent recession, Obermueller said many laid-off workers have taken temp jobs to get by. Under current law, those workers have to notify the temp agency within five days when a work assignment ends in order to be eligible for unemployment benefits. The problem, he said, is that some workers may prefer to go back to looking for permanent work rather than keep taking temp jobs. The bill would effectively remove the five-day rule for some workers, allowing them to resume searching for permanent jobs without losing eligibility.

"You have to keep looking for work, because otherwise you're not eligible for benefits anyway, but you don't have to go back to the temp agency. That's essentially what this does," he said.

Representatives from temporary staffing companies argue the provision could

***"It can't just be that you deserve to be fired. Do you also deserve the additional punishment of losing your unemployment benefits?"***

— Rep. Mike Obermueller  
DFL-Eagan



***"I just don't think that when it comes to individuals that have been that negligent... that they should qualify for unemployment insurance benefits."***

— Rep. Sarah Anderson  
R-Plymouth



Employment continued on page 22



# Raiders of the lost fund

Slew of reforms could boost Permanent School Fund income

By KRIS BERGGREN

**R**ep. Denise Dittrich (DFL-Champlin) spent years learning the complexities of public school funding as a teacher, parent volunteer, Anoka-Hennepin school board member and state representative. But until a legislative field trip to northern Minnesota in 2007, she'd never heard of the Permanent School Fund, a perpetual land trust for schools.

What she discovered was as good as the lost ark sought by Indiana Jones — a boon for schools hidden in plain sight, right under the forest lands and open pit mine Dittrich toured. Set up in the state's Enabling Act as an endowment for public schools, school lands are a legacy of the nation's founders.

Dittrich discovered three things: Minnesota's trust lands are not being fully used to generate revenue for schools; that what revenue exists, mostly from timber harvesting, does not even reach school districts directly; and that one other state, Utah, is a model for reform.

## Easy money from prudent investment

Utah's 1994 reforms turned its school trust fund from a poorly managed, oft-raided "molehill" into a "gold mine" worth \$1 billion, according to Margaret Bird, director of Utah's Children's Land Alliance Supporting Schools. Its proceeds go directly to schools, with local councils determining how the money will be spent, which is often for remediation, learning materials or technology.

"It's easy money, not from taxes, but from prudent and proper investment," Bird told the House K-12 Education Finance Division March 16.

In 2009, income from Minnesota's fund was \$27 million on its \$614 million market value, according to Minnesota Management & Budget. As the fund corpus grows, so will

return on investment; that isn't the problem. Instead it's the state's laissez-faire attitude toward managing the lands and monitoring cash flow, which Dittrich says shortchanges schools.

Managing trust lands falls to the Department of Natural Resources, recently criticized by the Office of the Legislative Auditor for lack of management planning and lack of adequate resources. The DNR charges fees for forest management and administration fees to the trust, as permitted by law, but Dittrich and others say the school trust income has been subsidizing some of the DNR's work.

Wayne Brandt, executive vice president of Minnesota Forest Industries, said "tight budget times" have created "a strong incentive to load costs against the trust." For example, he told the House State and Local Government Operations Reform, Technology and Elections Committee March 1, the school trust is the only government entity in the state that's charged for fire suppression.

According to Bob Meier, DNR assistant commissioner, the department fees for trust land management and administration

nearly doubled between 2004 and 2009, from \$5.98 million to \$11.18 million. In 2009, timber sales receipts were about \$9 million, and gross revenue from minerals activities was \$16.7 million, mainly from iron ore/taconite rents and royalties. Just \$200,000 of forestry income was actually deposited into the fund's corpus that year, Dittrich said. Minerals revenue over \$3 million is automatically deposited into a minerals suspense account.

## "A duty of undivided loyalty"

Determined to create a "new paradigm" along Utah's model, Dittrich is focused on restoring Minnesota's fund to its original purpose and potential. She sponsors a slew of reform bills she hopes will change the way people think about the fund and how it's managed.

One is HF3475, which would establish a quasi-independent state agency, like Utah's Land Trust Administration, to oversee the management of school lands. Bird said the Utah agency upholds one principal value: "a duty of undivided loyalty" to maximize short-term gains for schools while retaining long-term land preservation for future beneficiaries.

Utah has strategically swapped, sold and bought lands to benefit its school trust. In one case, it made school lands available to relocate a colony of endangered prairie dogs that was impeding commercial real estate development elsewhere —

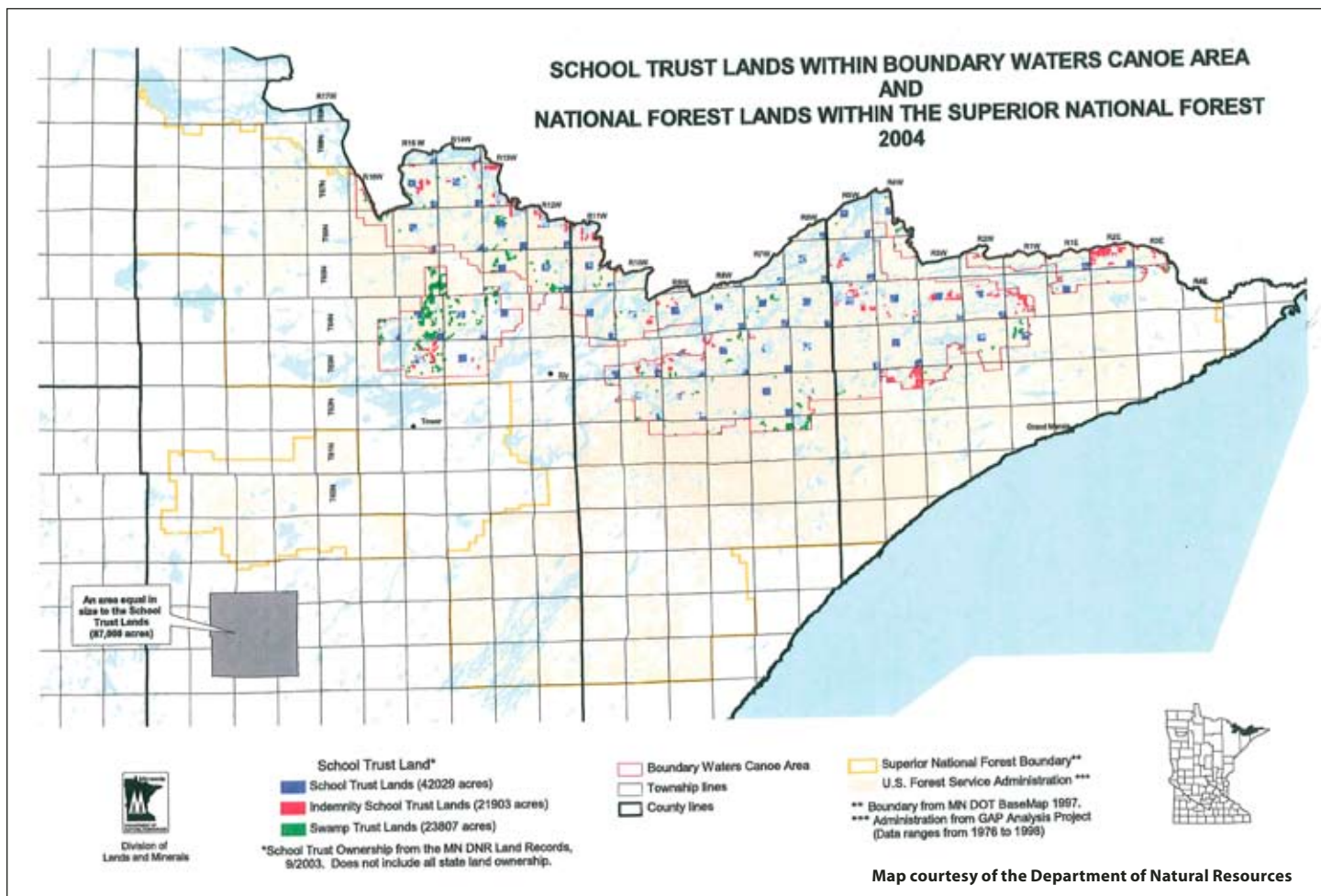
earning \$2,000 per critter. More commonly, it generates around \$150 million in school revenue annually from land sales and leases for a variety of uses including oil and gas, wind power, geothermal fields, telecommunication sites, grazing and farming.

Local environmentalists remain wary that school trust lands could be overdeveloped



***"This isn't a witch hunt. This is really trying to get to the right solution."***

— Rep. Denise Dittrich  
DFL-Champlin



without a vision of conservation.

Steve Chaplin, senior conservation scientist with the Nature Conservancy, told the state and local government committee he is concerned, for example, about 17,300 acres of old growth forests on school trust lands, whose value is “much more significant now than when the lands were originally set aside” because of their scarcity.

Dittrich said there’s a difference between public lands and school trust lands, and that the constitution and state law mandate balancing both the preservation and the use of school trust lands. She said the DNR’s mission of conservation and preservation inherently conflicts with the trust’s purpose of development and land use to generate revenue.

“This isn’t a witch hunt. This is really trying to get to the right solution,” she said.

Rep. Pat Garofalo (R-Farmington) supports enhancing accountability for the fund to get maximum benefit for students, “if we can do it without growing government, by redirecting existing resources.” He said the bill is silent on that.

The bill awaits action by the House Rules and Legislative Administration Committee. Sen. Chuck Wiger (DFL-Maplewood) sponsors a companion, SF3042, which awaits action by the Senate Environment and Natural Resources Committee.

Garofalo has signed on to HF3084/SF2494\*, sponsored by Dittrich and Sen. Tom Saxhaug (DFL-Grand Rapids), a resolution to Congress approving negotiations to swap and sell 86,000 acres of school trust lands within the Boundary Waters Canoe Area to the United States Forest Service. The exchange, said Dittrich, would be worth between \$60 million and \$80 million that would be added to the school trust corpus, or principal, while the lands would be preserved as wilderness.

The Senate passed the bill 62-0 March 15. The House passed it 113-0 March 25. It now goes to the governor.

### Schools begin to see new money

A 2008 law Dittrich sponsored has already begun to put revenue from the fund back into school districts’ pockets. It directed that

investment income from the fund be paid directly to school districts, instead of reducing general education fund payments to districts, which has been the practice since at least 1971, according to Tom Melcher, Education Department program finance director, and possibly since the late 1950s.

“This year, the only new revenue to our schools was school trust land money,” Dittrich said, in the amount of \$34 per pupil.

For Patty Phillips, superintendent of North St. Paul-Maplewood-Oakdale schools, that means about \$374,000 of new money. District leaders haven’t decided yet how to spend it.

“Where do we begin?” said Phillips who is a member of the Permanent School Fund Advisory Committee and went on the 2007 trip. “We have a \$7 million deficit between expenditures and revenue so we will put it to good use.

“I am extremely hopeful and optimistic that we’re headed in a positive direction.”

## Taxes continued from page 18

in the current JOBZ program be extended specifically for the company through 2020, and offer a comparable benefit to the company for a period of 10 years. Over the life of the benefit, tax exemptions could total \$12.7 million.

The bill's funding source — tax compliance — came under stiff questioning before being approved by the House Ways and Means Committee March 24.

Einess noted the department has been very successful with previous audits and bringing in owed revenue. When efforts began, there was a \$12 return for every \$1 spent; that ratio is now 4:1. "The low-hanging fruit has been picked," he said, adding that there is a fine balance between collecting owed money, and being viewed by taxpayers as too aggressive. He also noted that new staff would most likely

be needed because the window of time to make the collections to fund the credits is short.

Lenczewski's amended bill would require any new collection employees hired by the department after April 30, 2010, to conduct new (compliance) initiatives be located in Ely.

Einess countered that the current operation in Ely has 100 employees, and their offices are filled to capacity.

Lenczewski and Rep. Loren Solberg (DFL-Grand Rapids), chairman of the House Ways and Means Committee, said work will continue with the Senate and the governor on some of the more controversial provisions.

The Senate companion, SF2568, sponsored by Bakk, was rolled into a Senate jobs bill, SF2167, sponsored by Senate President James Metzen (DFL-South St. Paul). It awaits action by the Senate Finance Committee. 🏛️

## Employment continued from page 19

deal a devastating blow to their industry, which is already suffering because of the recession. Adding more of their workers to the unemployment rolls means they have to pay a higher unemployment tax rate.

"Those changes would end up costing our companies big time... at a time when we're already laying off people," said Dwayne Hendrickson, an executive at Masterson Personnel. He said the bill "unfairly and unjustly targets an industry that employs over 200,000 Minnesotans every day."

Division Chairman Rep. Tom Rukavina (DFL-Virginia) defended the provision, and said it stems from conversations some lawmakers have had with constituents who feel like they're "locked in the temporary job system." 🏛️

## WATCHING



PHOTO BY TOM OLMSCHIED

**Bryan Lake, government relations director for the Minnesota State Bar Association, watches the House in action on a monitor while sitting in a hallway off the Capitol Rotunda March 25.**



## Monday, March 22

### HF3715-Doepke (R)

#### Taxes

Wayzata; tax increment financing district activities time extended.

### HF3716-Newton (DFL)

#### Agriculture, Rural Economies & Veterans Affairs

Presumption of rehabilitation through a person's honorable military service following a prior offense established.

### HF3717-Atkins (DFL)

#### State & Local Government Operations Reform, Technology & Elections

Public improvement special assessment amounts adjusted on tax-forfeited property.

### HF3718-Westrom (R)

#### Taxes

Homestead classification extended to certain property.

### HF3719-Clark (DFL)

#### Finance

Fee revenue collected by health-related boards annually appropriated.

### HF3720-Emmer (R)

#### Health Care & Human Services

#### Policy & Oversight

Health insurance sales permitted in this state permitted in another state under certain conditions; environmental review requirements, payment of appropriations to public postsecondary systems, employment conditions and taxes modified; angel investment credit allowed; and taxes reduced and repealed.

### HF3721-Mack (R)

#### Health Care & Human Services

#### Policy & Oversight

Cord blood banking related information provisions modified.

### HF3722-Hackbarth (R)

#### Environment Policy & Oversight

Walk-in public access pilot program funding provided.

### HF3723-Murphy, E. (DFL)

#### Health Care & Human Services

#### Policy & Oversight

Medical Assistance coverage provided for food and beverage thickeners used as part of a feeding program.

### HF3724-Rukavina (DFL)

#### Finance

Minnesota low-income housing tax credit provided.

### HF3725-Marquart (DFL)

#### Finance

Mortgage registry tax and deed tax proceed portion appropriated to the Minnesota Housing Finance Agency to be used for creation of affordable housing units.

### HF3726-Hornstein (DFL)

#### Finance

Statewide telework requirements established.

### HF3727-Mullery (DFL)

#### Taxes

Minneapolis; Homeless Assistance Increment District tax increment use provided.

### HF3728-Falk (DFL)

#### Environment Policy & Oversight

Native perennials establishment program created.

### HF3729-Lenczewski (DFL)

#### Taxes

Taxation; technical, policy, administrative, enforcement and clarifying changes made to individual income, corporate franchise, estate, sales and use, lodging, gross receipts, cigarette, tobacco, insurance, property, credits, payments, minerals, petroleum, local taxes, local government aid, job opportunity building zones, emergency debt certificates and various other tax-related provisions.

## Tuesday, March 23

### HF3730-Doty (DFL)

#### Health Care & Human Services

#### Policy & Oversight

Health care providers required to participate in the federal TRICARE program as a condition of participating in state and public health care programs.

### HF3731-Benson (DFL)

#### Finance

School district lines of credit repayment time lengthened, and tax or aid anticipation of credit certificates allowed to be issued for up to two years.

### HF3732-Emmer (R)

#### State & Local Government Operations Reform, Technology & Elections

Employer contribution eliminated on behalf of legislators who participate in the state unclassified employee retirement program.

### HF3733-Reinert (DFL)

#### Taxes

JOBZ tax incentives duration extended.

### HF3734-Kath (DFL)

#### Agriculture, Rural Economies & Veterans Affairs

Federal government urged to provide funding so the state can reimburse medical providers for performing routine procedures and tests on certain veterans.

## Wednesday, March 24

### HF3735-Clark (DFL)

#### Finance

Healthy flooring requirements imposed on bond-financed property.

## Thursday, March 25

### HF3736-Paymar (DFL)

#### Public Safety Policy & Oversight

Gang pointer file required audits to be conducted at least once every two years, five-year purges and parental notification implemented for local gang evidence databases and working group created on gang evidence databases.

### HF3737-Poppe (DFL)

#### Taxes

Class 4c property classification requirements modified.

### HF3738-Drazkowski (R)

#### State & Local Government Operations Reform, Technology & Elections

Minnesota citizen sovereignty affirmed, and constitutional amendment proposed.

### HF3739-Carlson (DFL)

#### Finance

Bond allocation limits modified and transfer authorized.

### HF3740-Lanning (R)

#### State & Local Government Operations Reform, Technology & Elections

Economic development authority requirement changed to create and define development districts.

### HF3741-Solberg (DFL)

#### Finance

Payment schedules modified.

### HF3742-Thissen (DFL)

#### Finance

Community health center grants provided; additional subsidies provided for federally qualified health centers; and money appropriated for long-term homeless supportive services and homeless shelters, other supportive services and the temporary uncompensated care pool.

### HF3743-Otremba (DFL)

#### Health Care & Human Services

#### Policy & Oversight

Treatment required for people requesting admission and who meet the clinical admission criteria.

### HF3744-Eken (DFL)

#### State & Local Government Operations Reform, Technology & Elections

Audit requirements eliminated for very small towns.

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Renters in 2008 who spent at least 30 percent of their income on housing.....	49.1
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National percentage.....	84.6
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— M. Cook

**Sources: Minnesota Milestones, Minnesota State Demographic Center, Feb. 11, 2010; 2008 American Community Survey; U.S. Centers for Disease Control and Prevention; Corporation for National and Community Service.**

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# SESSION WEEKLY

A NONPARTISAN PUBLICATION  
MINNESOTA HOUSE OF REPRESENTATIVES • PUBLIC INFORMATION SERVICES  
VOLUME 27, NUMBER 9 • April 9, 2010



HF3745 - HF3767



## SESSION WEEKLY

Session Weekly is a nonpartisan publication of Minnesota House of Representatives Public Information Services. During the 2009-2010 Legislative Session, each issue reports House action between Thursdays of each week, lists bill introductions and provides other information. No fee.

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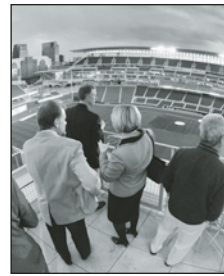
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Session Weekly (ISSN 1049-8176) is published weekly during the legislative session by Minnesota House of Representatives Public Information Services, 175 State Office Building, 100 Rev. Dr. Martin Luther King Jr. Blvd., St. Paul, MN 55155-1298. Periodicals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

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



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**On the cover:** Former legislators, *from left*, Steve Kelley, Brad Finstad, Matt Entenza, Dick Day, Steve Sviggum and Dean Johnson throw out ceremonial first pitches prior to the Minnesota Twins April 3 exhibition game against the St. Louis Cardinals. The legislators were honored by the Twins for their contributions to the creation of Target Field.

— Photo by: Tom Olmscheid

# Betting on TIF

Expanded use of development tool key component to 'jobs' new law

By LEE ANN SCHUTZ

**A**mong the alphabet soup acronyms of government-speak is one that represents a tool many communities have come to rely on to create economic development. It's called TIF, short for tax increment financing.

Hoping to jumpstart the state's construction industry, the so-called omnibus jobs law expands the use of TIF so that local projects, languishing on the shelf because of the poor economy, can get going by July 1, 2011.

Another provision of the new law may be more high profile — establishment of an angel investment tax credit — but some House Taxes Committee members think the TIF expansion, and help to retain the St. Paul Ford Motor Company plant, could have a long-term greater impact on job retention and creation.

"As I see it, the real job production is the expansive emergency use of TIF that will help the building trades ... and the CARZ zone ... those are the ones that, I think, will produce the jobs out of this," said Rep. Joe Mullery (DFL-Mpls).

## A TIF primer

For those unfamiliar with TIF, a quick primer may be in order.

Using TIF, a local government can create a specific district in which property tax values are essentially frozen. Based on the physical condition of the site and the type of construction to occur, TIF districts can be classified for redevelopment, economic development, housing, renewal and renovation, or soils reclamation. However, most TIF districts need to address some sort of blight. The type of district created dictates the timeline until it sunsets and when the tax advantage goes away.

Taxes generated by the increase in property

value over the frozen amount, known as the increment, are put toward economic development, usually improvements directly beneficial to the project such as land acquisition, streets, sewer, water or parking facilities. In essence, the local authority is betting that if a piece of property is redeveloped, its value will increase and in turn, so will the property taxes generated from the improvements.

According to the nonpartisan House Research Department, one of three financing techniques is used by local authorities to fund these upfront costs:

- bonds are issued and the increment is used to pay the bonds back;
- interfund loans are used, where the authority advances money from its own funds and the increments are used to reimburse the borrowed money; or



PHOTO BY TOM OLMSCHIED

**Rep. Denise Dittich, who sponsors a bill that would allow the City of Coon Rapids to use tax increment financing, listens as Mayor Tim Howe tells the House Taxes Committee April 7 what improvements along Coon Rapids Boulevard would mean to his city.**

- the developer pays the upfront costs and the increments are used to reimburse the developer.

Although TIF districts are established locally, any deviation from state law regarding how it is used must get legislative approval. That's because redirected property tax revenue directly impacts the other local taxing authorities — namely the county and local school district.

**First Reading continued on page 4**

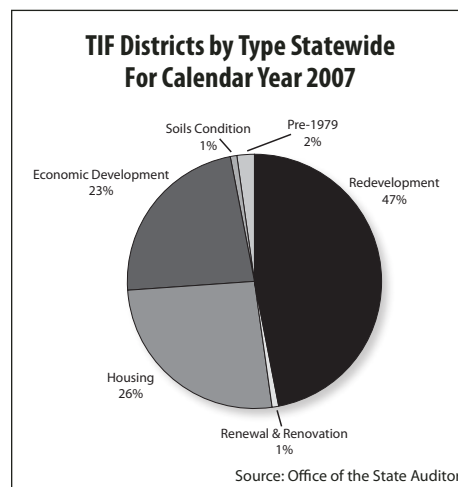




PHOTO BY TOM OLMSCHIED

**Sponsored by Rep. Denise Dittrich, HF3007 would allow the City of Coon Rapids to use tax increment financing to make improvements along Coon Rapids Boulevard.**

#### First Reading continued from page 3

#### TIF expansion

The new law, with various effective dates, makes several changes to TIF usage, most notably for the City of Bloomington to coax a phased-in expansion of the Mall of America, which is in the district represented by Rep. Ann Lenczewski (DFL-Bloomington), chairwoman of the House Taxes Committee, and sponsor of the law along with Sen. Tom Bakk (DFL-Cook).

But don't read too much into her support of TIF in this legislation. Generally, Lenczewski isn't a fan of the tool.

"It's been a bill with a lot of compromise," she said during the April 1 law signing. "My goal was to get a bill that the governor would sign, an early bill to get people back to work and no conference committee."

Lenczewski said there are about 2,200 TIF districts across the state, and that it is a form of property tax that lacks transparency.

"That's the core of the problem of TIF for me," she said. "We don't see these property tax subsidies that are going to things."

She said TIF is a "good deal" for cities because they get a "discounted new amenity paid for not only by the city tax base, but the county tax base." Her bottom line question is, "Should we be doing more things to basically subsidize private development as opposed to public development?"

Besides Bloomington, the new law addresses TIF district modifications for Oakdale, North

Mankato and Cohasset.

But they are not alone with their requests. Each session a string of cities comes forward asking for TIF changes. Seven communities were before the House Taxes Committee April 7 with their requests.


Under the new law, the need for a legislative OK won't change, but municipalities will see more opportunities to use TIF, especially for projects that will create new jobs and those that might help with "Main Street" redevelopment.

A new type of district is authorized in the law — compact development TIF districts.

Under the new definition, 70 percent of the area in the district must be occupied by structures classed as 3a commercial-industrial, and the planned redevelopment must at least triple the square footage of class 3a buildings. The blight condition does not necessarily apply, but the project should be transit-friendly. The authority for creating this type of district ends June 30, 2012. Increments from these districts may be used to pay administrative expenses, land acquisition costs, demolition and preparation costs, and public improvement costs.

Additionally, several provisions for economic development TIF districts are modified in the law. Tax increments from economic development districts may be used to provide assistance to projects deemed to create or retain jobs. Construction must begin no later than July 1, 2011. Equity investments may also be made in corporations, partnerships or limited liability companies. Municipal approval is

required. Authority to spend increments under this provision expires Dec. 31, 2011.

HF2695\*/SF2568/CH216 

#### Omnibus Jobs Law Provisions

- An investment credit for angel type venture capital investment.
- A refundable historic structure rehabilitation credit.
- Authority for local governments to finance energy conservation improvements and collect repayments as special assessments (at the request of the property owner).
- Authority of the Public Finance Authority to issue revenue bonds for city transportation projects.
- Compact development tax increment financing districts.
- Expanded authority to temporarily use TIF for economic development.
- Expanded authority to use excess TIF revenues for construction of new private development.
- Provision of modified JOBZ benefits to the Ford Motor Company site in St. Paul, if certain conditions are met.
- Expanded authority for several cities to use TIF for housing replacement.
- Additional flexibility for the City of Bloomington to expand the Mall of America.
- An appropriation for additional tax compliance activities expected to result in new General Fund revenue beginning in fiscal year 2011.

Source: Nonpartisan House Research Department



**Editor's note:** The following Highlights are coverage of select bills heard in House committees and other House activities held March 25-April 8. 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.

## CONSUMERS

### Insurance for portable electronics

A House division laid over a bill that would regulate portable electronics insurance because of concerns it might harm mom-and-pop retailers.

Rep. Leon Lillie (DFL-North St. Paul) sponsors HF3251 that would cover insurance policies for cell phones, laptops and other portable electronics devices. The bill includes a number of protections for consumers who buy the policies.

Under the bill's provisions, retailers who sell portable electronics insurance would be required to obtain licensure from the Commerce Department, and pay a fee. Lillie said the bill is only meant to apply to large companies that can easily absorb the cost; however, some lawmakers are concerned it

would apply to small retailers as well.

Rep. Torrey Westrom (R-Elbow Lake) suggested small retailers should be exempted from the fee or be required to pay a smaller amount. Lillie responded that it is not his intention for the bill to apply to "one-store operations," and said he will consider modifying the bill's language to exclude such businesses.

The House Energy Finance and Policy Division laid the bill over April 7, and Chairman Rep. Bill Hilty (DFL-Finlayson) plans to bring it up for consideration again sometime next week.

The bill is intended to address ambiguities in the state's insurance laws. Lillie said the goal is to clarify that those who sell electronics insurance don't have to act as full-fledged insurance companies.

Peter Thrane, a lobbyist representing the insurance company Asurion, said the law is currently unclear as to whether retailers can even sell insurance on portable devices. He said the bill is supported by retailers and cell phone providers as well as the insurance industry.

The bill would require retailers to provide consumers with a comprehensive disclosure about the insurance policy. It would also require employees selling the insurance product to be trained in the terms and conditions of the insurance coverage.

A companion, SF2962, has been incorporated

into SF2510, which awaits action by the Senate Finance Committee. Sen. David Tomassoni (DFL-Chisholm) is the sponsor.

— N. BUSSE

### OK to brew in basements

**Signed  
by  
the  
governor**

Beverage producers can produce their products in basements, under a new law signed April 1 by Gov. Tim Pawlenty.

Sponsored by Rep. Mindy Greiling (DFL-Roseville) and Sen. John Marty (DFL-Roseville), the law allows the Department of Agriculture to issue permits to businesses producing certain types of beverages in basements or other subgrade areas. It is effective April 2, 2010.

Greiling said basements were previously automatically ruled out due to the "olden days" when basements were wet and had mildew problems. The department would like to look at basements on a case-by-case basis now, she said.

Seth Couenhoven, director of operations for Thuro Bread, told a House committee that he wanted to rent the basement of a building he owns to a company to make fermented tea, but was unable to do so. The basement is updated and approved for commercial packaging, but also needs to be approved for the bottling process, he said.

HF2918\*/SF2632/CH209

— P. OSTBERG

## EDUCATION

### Land exchange resolution OK'd

**Signed  
by  
the  
governor**

About 86,000 acres of Minnesota's 2.5 million-acre permanent school trust lands are within the Boundary Waters Canoe Area Wilderness and generate no income for the Permanent School Fund. They could soon be sold or traded to the federal government, as recommended by the state's Permanent School Fund Advisory Committee.

Gov. Tim Pawlenty signed a resolution April 1 affirming the state's intent to negotiate such an exchange with the United States Secretary of Agriculture.

Rep. Denise Ditttrich (DFL-Champlin), who sponsors the resolution with Sen. Tom Saxhaug (DFL-Grand Rapids), said it sends a "nod to Congress" the state would approve a transaction.

The exchange, said Ditttrich, could be



PHOTO BY ANDREW VONBANK

Jeff Peterson, left, Commerce Department director of government relations, and Peter Thrane, center, representing Asurion, testify before the House Energy Finance and Policy Division April 7 in support of a bill that would regulate portable electronics insurance. Rep. Leon Lillie, right, sponsors the bill.

worth between \$60 million and \$80 million in revenue to the school trust corpus, or principal, while the lands within the BWCAW would be preserved as wilderness. Some of the land could be exchanged for lands outside the protected area, to be used to generate income in other ways for the fund.

School trust lands are a legacy of the nation's founders, who, through the Land Ordinance of 1785, designated parcels of each township in all future territories and states to be used to generate income for public school education. Minnesota's Enabling Act of 1857 designated the 16th and 36th parcels of each township — including those within what's now the BWCAW — for that purpose.

HF3084/SF2494\*/R1

— K. BERGGREN

## ELECTIONS

### Campaign finance reform changes

Administrative changes to laws governing the Campaign Finance and Public Disclosure Board were approved 127-1 by the House April 7.

Sponsored by Rep. Steve Simon (DFL-

St. Louis Park) and Sen. Ann Rest (DFL-New Hope), HF1206/SF80\* would: remove election laws that have since been ruled unconstitutional; no longer require necessary food utensils and supplies to be reported as campaign expenditures; set a value of \$5 or less on informational material given to an official in connection to legislation; permit the board to exempt the requirement of an e-mail address being provided; and set contribution limits for judicial candidates.

The bill would allow a candidate to accept up to \$2,000 in an election year from any individual, political committee or political fund, and up to \$500 in other years. These limits are the same as candidates running for governor, Simon noted.

He said the changes were included in a larger election bill vetoed last year by Gov. Tim Pawlenty.

Gary Goldsmith, the board's executive director, said in a previous House committee, "This is really an administrative bill that makes it possible for the board to move further into the 21st century to leverage the technological resources that have been developing."

An amendment unsuccessfully offered by

Rep. Laura Brod (R-New Prague) would have prohibited political committees and others from soliciting contributions by deception or falsely implying the contributions to support a candidate for office.

Brod said a donut stand at the Minnesota State Fair was doing just that by giving proceeds to a political party without informing customers of the intent.

Simon said while he supports the direction of the amendment, it would go too far in defining a contribution.

A successful amendment offered by Rep. Jim Davnie (DFL-Mpls) would require lobbyist registration forms to include the Web address of each association to bring further transparency to the process.

The bill now goes back to the Senate for concurrence.

— P. OSTBERG

### Election administration changes

**Signed  
by  
the  
governor**

Among the variety of technical and procedural changes in an election administration law is one requiring the secretary of state

## BALLPARK TOUR



PHOTO BY TOM OLMSCHEID

U.S. District Court Judge John J. Tunheim, from left, Sen. Michael Jungbauer, Rep. Roger Reinert, Rep. Gail Kulick Jackson, Rep. Al Doty and Rep. Tim Faust check out Target Field from the Budweiser Roof Deck during an April 7 tour of the ballpark. The Legislature passed a funding plan for Target Field in May 2006.



to match data from the Social Security death index to deceased voter registrations.

Sponsored by Rep. Ryan Winkler (DFL-Golden Valley) and Sen. Katie Sieben (DFL-Newport), the law will require the Office of the Secretary of State to remove from the statewide voter registration system any registered deceased persons and report the name to their respective county auditor.

Other provisions include:

- requiring the Department of Corrections to report felony convictions to the secretary of state, and match the data accordingly with the statewide voter registration system;
- requiring the Department of Public Safety to transfer information related to the citizenship of persons to the statewide voter registration system;
- the county auditor or municipal clerk will preserve all absentee ballot applications for 22 months;
- voters are given the right to be absent from work for a necessary time period and without reduction in pay to vote, unlike previous law that specifically said "during the morning" of a work day;
- allowing city elections to be postponed due to inclement weather;
- persons conducting exit polling will be permitted to be within 100 feet of a polling place; and
- conforming changes to federal law in helping military and overseas voters receive their absentee ballot at least 45 days before an election.

Signed April 1 by Gov. Tim Pawlenty, the law has various effective dates.

HF3108\*/SF2388/CH201

— P. OSTBERG

## EMPLOYMENT

### Unemployment insurance changes

A special state extension of unemployment insurance benefits is among several unemployment changes proposed in a bill that won committee approval April 7.

Sponsored by Rep. Jim Davnie (DFL-Mpls), HF3127 would also help pay down the \$1.6 billion deficit in the state's unemployment insurance trust fund. The House Finance Committee approved the bill April 7 and referred it to the House Ways and Means Committee.

The special benefit extension would last up to 13 weeks, and would be effective from June 30, 2010, to March 26, 2011. It would replace a special emergency unemployment compensation program from 2009; however, those who have not exhausted their benefits under the old program could continue to

receive benefits up to their original determined maximum.

The bill also contains provisions that would guarantee that people who return to work after being on unemployment, only to get laid off a second time, receive a similar level of benefits to what they had before. These provisions were incorporated into the bill from HF3274, sponsored by Rep. Mike Obermueller (DFL-Eagan).

To help pay down the deficit in the state's unemployment insurance trust fund, the bill would offer employers a tax discount if they prepay their future unemployment taxes.

"This is a win-win. The trust fund gets additional funds, while the employer saves money through the prepayment," Davnie said.

The way in which the unemployment tax rate is computed would also be changed. Essentially, the bill would ensure the tax rate remains at its current maximum level unless the trust fund has a positive balance.

Lee Nelson, director of legal affairs for the Department of Employment and Economic Development, said the tax rate is in danger of dropping in the near future, despite the trust fund's deficit. He said the trust fund could end up borrowing more money and paying more interest if the tax rate drops.

A companion, SF2895, has been incorporated into SF2510, sponsored by Sen. David Tomassoni (DFL-Chisholm). It awaits action by the Senate Finance Committee.

— N. BUSSE

## ENERGY

### Utility shutoffs must be posted

Signed by the governor

When a landlord falls behind on paying utility costs, tenants may not know until the utility is shut off.

A new law signed April 1 by Gov. Tim Pawlenty requires

those who plan to discontinue supplies of home heating oil, propane, natural gas, electricity or water to a building due to a building owner's non-payment to notify building residents. The posting must be placed in a conspicuous location in, or on, the building. The provision to post on a building's exterior was added to enable suppliers to notify tenants when they are unable to gain access inside a building. Tenants would then have the option of paying for continued services.

Sponsored by Rep. Mike Beard (R-Shakopee) and Sen. Rick Olseen (DFL-Harris), the law is effective April 2, 2010.

HF3259\*/SF2875/CH210

— S. HEGARTY

## ENVIRONMENT

### Speeding up BWSR review

Signed by the governor

Effective Aug. 1, 2010, the timeline for the Board of Water and Soil Resources to review draft watershed management plans will be shortened.

Sponsored by Rep. Rick Hansen (DFL-South St. Paul) and Sen. Sandy Rummel (DFL-White Bear Lake), the new policy will allow public hearings 14 days after the 60-day review period of the draft plan, rather than the previous 30- to 45-day time period.

The measure only applies to the Twin Cities metropolitan area, and repeals the option for BWSR to issue a 30-day extension for plan approval or denial.

Gov. Tim Pawlenty signed the law April 6. HF3067\*/SF2843/CH218

— S. HEGARTY

### Mercury test requirements updated

Signed by the governor

Solid waste facilities that are diligent about testing for and removing mercury from the waste-stream will be rewarded for good behavior, under a new law signed by Gov. Tim Pawlenty

April 1.

For example, Olmsted County has a proven track record of removing more than the required amount of mercury under its current permit. It plans to expand its incinerator facility and, if mercury emissions remain below 50 percent of the new unit's permitted limit for one year, fewer tests will be required, according to the new law. That could save the county up to \$40,000 annually, according to county officials.

Rep. Kent Eken (DFL-Twin Valley) and Sen. Dan Skogen (DFL-Hewitt) sponsor the new law, which is effective April 2, 2010.

HF3027\*/SF2604/CH213

— S. HEGARTY

## HEALTH

### Health reform discussed

State lawmakers are trying to determine what the March 23 passage of federal health care legislation means for Minnesota and how new reforms may be implemented.

The House Commerce and Labor Committee, the House Health Care and Human Services Policy and Oversight Committee and the House Health Care and Human Services Finance Division met April 6 for an informational hearing on the federal law.



Minnesota is in a unique position because of past state-level health care reforms that are already operational, according to officials with the Commerce, Health and Human Services departments.

“One of the interesting things about realizing how much work we have is to compare us to other states that don’t have rate review, medical loss ratios, a high-risk pool,” said Manny Munson-Regala, deputy commissioner with the Department of Commerce. “Those states keep coming to us for information, so it makes us feel a little bit better.”

Yet the work is not as simple as moving participants in Minnesota programs into newly created or expanded federal programs. For example, the federal law establishes a temporary, high-risk pool to cover individuals with pre-existing conditions who have been uninsured for at least six months. While Minnesota already has a similar safety net, the Minnesota Comprehensive Health Association, not everyone in MCHA will qualify for the federal pool, said Julie Sonier, deputy director of the University of Minnesota State Health Access Data Assistance Center.

Similarly, state officials are waiting on information from the federal government to determine how many participants in General Assistance Medical Care and MinnesotaCare may be covered under an expansion of Medicaid.

Rep. Steve Gottwalt (R-St. Cloud) said he is concerned the federal provisions could up-end

some Minnesota policies that are working. He recommended state officials explore options for keeping those policies in place.

Rep. Tina Liebling (DFL-Rochester) requested a list of the choices legislators will be facing as a result of the federal law.

“I don’t know how long such a list would be,” she said, “but it would be helpful to sort of have the full scope of what our decision-making has to cover as we get started on some of this.”

The hearing was attended by a delegation representing the Citizens’ Council on Health Care, which opposes conforming Minnesota law to the federal reforms. The group’s president, Twila Brase, said federal law violates the constitution by requiring people to purchase health insurance and will ultimately lead to higher health care costs.

— L. RADOMSKI

### Hospital construction law modified

**Signed  
by  
the  
governor**

A technical change to a law enacted last year will allow planners of a children’s psychiatric hospital to build at their desired location.

The 2009 law makes an exception to the moratorium on hospital construction to allow a children’s psychiatric hospital of up to 20 beds to be built in western Hennepin County. A new law signed by Gov. Tim Pawlenty March 26 amends the earlier provision to specify the hospital will be located in the western two-thirds of Hennepin County.

Sponsored by Rep. Marsha Swails (DFL-Woodbury) and Sen. Yvonne Prettner Solon (DFL-Duluth), the law is effective March 27, 2010.

HF3116/SF2743\*/CH198

— L. RADOMSKI

### Licensure requirements modified

**Signed  
by  
the  
governor**

Psychologists can expect a handful of noncontroversial changes to licensure requirements, under a new law signed March 26 by Gov. Tim Pawlenty.

Sponsored by Rep. Kim Norton (DFL-Rochester) and Sen. Yvonne Prettner Solon (DFL-Duluth), the law:

- provides reciprocity for psychologists licensed in other jurisdictions as they apply for full licensure in Minnesota;
- extends the time limit for guest licensure from 30 days to nine months;
- allows a retired psychologist to apply for licensure to offer services pro bono as a “licensed psychologist-volunteer;”
- allows psychologists to be the last reviewer of appeals for denial of services by health plans; and
- redefines the make-up of the Board of Psychology.

Norton said the law is intended to make it easier for qualified psychologists to practice in Minnesota. It takes effect Aug. 1, 2010.

HF2897/SF2596\*/CH199

— L. RADOMSKI

## FULL JOINT



PHOTO BY ANDREW VONBANK

Seats were hard to come by on April 6 when the House Health Care and Human Services Finance Division, House Health Care and Human Services Policy and Oversight Committee and House Commerce and Labor Committee held a joint informational hearing on state conformity with the federal Patient Protection and Affordable Care Act.

## Thou shall not cheat

Beginning Aug. 1, 2010, civil action can be taken against someone who deliberately cheats with respect to a board licensing or certification examination.

Rep. Jim Abeler (R-Anoka), who sponsors the law with Senate President James Metzen (DFL-South St. Paul), said that in addition to cheating during an exam, test questions have been made available for a fee, often on the Internet. The law simply says if someone engages in examination subversion, they could be sued by “any person damaged or likely to be damaged” by the practice.

Examination subversion could include:

- removing examination materials from the examination room without authorization;
- disclosing or publishing any portion of the examination;
- selling or offering to sell any portion of a future, current or previously administered examination;
- improperly obtaining examination questions, answers or materials before, during or after the examination;
- communicating with another person during administration of the examination to give or receive help; and
- copying answers from another examinee or letting another examinee copy your answers.

Supporters say the law, signed April 1 by Gov. Tim Pawlenty, will help ensure that qualified people are working in patient care, not just someone who received exam questions and answers in advance.

HF1713/SF1494\*/CH202

— M. COOK

## Public health omnibus bill approved

The House Housing Finance and Policy and Public Health Finance Division approved its omnibus health bill April 7, incorporating many of the budget cuts recommended by Gov. Tim Pawlenty. It now goes to the House Finance Committee.

Sponsored by Division Chairwoman Rep. Karen Clark (DFL-Mpls), HF1993, as amended, would eliminate \$1.6 million in health and human services General Fund expenditures in fiscal years 2010 and 2011, with another \$1.6 million in cuts across fiscal years 2012 and 2013. The bill would reduce the operating budget of the Department of Health, as well as the budgets of various health-related boards. Cuts would also affect the Emergency Medical Services Regulatory Board and ombudspersons for families, mental health and developmental disabilities.

The bill’s companion, SF1897, is sponsored by Sen. Patricia Torres Ray (DFL-Mpls)



PHOTO BY ANDREW VONBANK

**Deputy Commerce Commissioner Manny Munson-Regala, from left, April Todd-Malmlov, a health economist with the Department of Health, and Brian Osberg, Medicaid director at the Department of Human Services, testify during an April 6 informational hearing on state conformity with the federal Patient Protection and Affordable Care Act.**

and awaits action in the Senate Energy, Utilities, Technology and Communications Committee.

Unlike the governor’s supplemental budget proposal, the division bill does not ratify \$902,000 in unallotments to the Department of Health from 2009. Also, the bill includes a \$214,000 appropriation to the Department of Human Services in fiscal year 2011 for distribution to food shelves. Smaller food shelf appropriations would follow in fiscal years 2012 and 2013.

A couple of topics discussed by members earlier in the session are included. One provision would direct the Department of Human Services to seek a federal waiver to increase eligibility for coverage of specialized food products for children under the Supplemental Nutrition Assistance Program, formerly food stamps. It is designed to assist parents like Amy Goodlund, whose 16-month-old son has severe food allergies and requires prescription-only formula costing over \$200 a month.

“It terrifies me that my husband and I have blown through every piece of savings that we have,” Goodlund told the division March 24, describing the difficulty of getting her son’s condition diagnosed.

The legislation also has implications for health-related licensing boards, which have previously seen licensing fee revenue transferred to the General Fund. The bill would create a dedicated account for board-related revenue, with money annually appropriated back to the boards.

— L. RADOMSKI

## HOUSING

### Protections for homebuyers

Minnesota would adopt new mortgage industry regulations meant to protect homebuyers, under a bill that won division approval April 7.

Sponsored by Rep. Joe Mullery (DFL-Mpls), HF2600 would enact the “Secure and Fair Enforcement” (SAFE) mortgage licensing act — a set of federal regulations meant to protect homebuyers from corrupt and incompetent mortgage loan originators. The regulations were signed into law by former President George W. Bush in 2008, and all states are required to comply. Minnesota is the only state that has not yet adopted the act.

“I got a call from the banking commissioner of Massachusetts in August. He said, ‘I know you’re kind of independent up there (in Minnesota), but are you seceding or what?’” Mullery said.

He added that failure to pass the bill this year could result in the U.S. Department of Housing and Urban Development taking over mortgage regulation in Minnesota.

“If we don’t pass it this year, the federal government, under their law, has the right to come in and set up a licensing system on their own and charge us whatever they want,” Mullery said.

The bill specifies minimum educational and continuing education requirements for mortgage originators, and requires testing to measure originators’ knowledge and comprehension of ethics and state and federal laws.





PHOTO BY ANDREW VONBANK

**Commerce Department Commerce Analysis Supervisor Robin Brown testifies April 7 before the House Energy Finance and Policy Division in support of a bill that would provide licensing and regulation for an individual engaged in the business of a mortgage loan originator or the mortgage loan business.**

Additionally, the bill would require background checks and fingerprinting of loan originators. Each licensed individual would be assigned a unique identification number in the national registry. Felons, people guilty of financial crimes and people whose licenses have ever been revoked would not be allowed to attain a license.

Commerce Department Commerce Analysis Supervisor Robin Brown said that whereas Minnesota currently licenses mortgage lending institutions, the bill would make it so that the individual mortgage originators are licensed instead, and also registered within a new national licensing system.

A companion, SF2643, has been incorporated into SF2839, which awaits action by the full Senate. Sen. Linda Scheid (DFL-Brooklyn Park) is the sponsor.

— N. BUSSE

## HUMAN SERVICES

### Pawlenty signs GAMC bill

**Signed  
by  
the  
governor**

A revised, less expensive version of General Assistance Medical Care will continue past its scheduled March 31

expiration date, under a new law signed by Gov. Tim Pawlenty March 26.

Under the law, the estimated 35,000 low-income Minnesotans covered by GAMC each month will continue to receive basic medical services. These services will be administered by “coordinated care delivery systems” — partnerships of hospitals that may contract with the Department of Human Services for reimbursement. This provision is effective June 1, 2010, for hospitals serving the largest number of GAMC patients. Hospitals with fewer GAMC patients may receive reimbursement through November as they decide whether to form similar delivery systems.

The law also implements reforms in the delivery of mental health urgent care, which may be phased in based on the limits of appropriations and the level of need, as determined by the Department of Human Services. Other provisions include the establishment of a collaborative psychiatric consultation service, as well as a state review of procedures for administering antipsychotic and attention deficit disorder medications to children.

Sponsored by Rep. Erin Murphy (DFL-St. Paul) and Sen. Linda Berglin (DFL-Mpls), the law is a result of months of bipartisan work by legislators and discussions with the governor on how best to care for the GAMC population.

HF802/SF460\*/CH200

— L. RADOMSKI

### SOS redesign proposed

A plan from the Department of Human Services to transform care for people with mental illness is opposed by some health care providers and advocacy organizations.

The House Health Care and Human Services Policy and Oversight Committee took testimony March 23 and March 25 on a proposed redesign of State Operated Services, which runs campus and community-based programs serving people with mental illness, developmental disabilities, chemical dependency and traumatic brain injury. SOS is under pressure to eliminate \$17 million from its budget by June 2011, the result of unallotment and budget cuts.

“It really felt appropriate that with such significant changes in the total appropriation that would be available to us, we needed to really step back and, rather than just cut across the system, focus on where can we achieve some efficiencies, what can we do differently,” said Dr. L. Read Sulik, assistant commissioner for Chemical and Mental Health Services at the Department of Human Services.

The department proposes closing or

reorganizing several existing facilities and creating new psychiatric care centers around the state. Some of the new centers would be targeted at Minnesotans with immediate mental health needs; other facilities would provide care at a lower urgency level. Department officials say the redesign would improve access to mental health services and save money.

Planning for the redesign began in 2008 and has included stakeholder meetings around the state. However, several testifiers said the plan lacks crucial details on cost, timelines and job losses, which could affect an estimated 200 positions.

“Our questions continue to go either under-answered or unanswered,” said Becky Romosz, a nurse at the Community Behavioral Health Hospital in Annandale. “We can’t seem to get a real handle on what’s going on.”

“Our mental health system is woefully underfunded, and so cutting \$17 million is simply devastating, not transformative,” said Sue Abderholden, executive director of the National Alliance on Mental Illness of Minnesota.

Department officials said the redesign will be phased in over the next 15 months, with some changes effective as soon as May.

— L. RADOMSKI

### Civil commitment signature changes

**Signed  
by  
the  
governor**

Civil commitment documents will no longer need to be notarized.

Sponsored by Rep. Karla Bigham (DFL-Cottage Grove) and Sen. Don Betzold (DFL-

Fridley), a new law permits documents to be officially made under oath or affirmation if a statement is included that the signer attests the document is true and correct, and is being signed under penalty of perjury. A telephone number and address where the signer can be contacted must be included.

The law also clarifies that electronically signed documents, as part of an electronic record system now used by most hospitals, will be allowed as evidence in civil commitment cases.

Bigham said the state hospital association, county attorneys association, Minnesota Disability Law Center and the Department of Human Services are all comfortable with the change.

Signed April 6 by Gov. Tim Pawlenty, the law is effective Aug. 1, 2010.

HF3187\*/SF2328/CH220

— M. COOK

If you have Internet access, visit the Legislature's Web page at: [www.leg.mn](http://www.leg.mn)



**Financial records release clarified****Signed  
by  
the  
governor**

No government authority has permission to access or obtain copies of the records from a financial institution of any customer unless the records are reasonably described and meet

an expressly stated reason.

Judicial or administrative subpoenas have been added to the list of acceptable reasons.

Sponsored by Rep. Karla Bigham (DFL-Cottage Grove) and Sen. Mee Moua (DFL-St. Paul), the law is identical to language inadvertently removed from a 2009 law related to investigations of the financial exploitations of vulnerable adults. The law, signed April 1 by Gov. Tim Pawlenty, is retroactively effective Aug. 1, 2009.

HF3139\*/SF2952/CH214

— M. COOK

**Instruments to secure debt clarified****Signed  
by  
the  
governor**

A new law retains the requirement that an instrument explicitly state its intent to be used as security for a debt, but caps the amount of the debt to the initial amount stated in the

instrument.

The law, signed April 1 by Gov. Tim Pawlenty, comes about because of a 2009 Minnesota Supreme Court decision where the debt secured was greater than the amount of the mortgage, and the mortgage registry tax was not fully paid. This is a common situation in commercial loans where a company, for example, gets a \$1 million corporate loan secured by a guarantee on the principal's homestead. However, because there is only a limited amount of equity in the homestead, the mortgage is limited to \$200,000.

Rep. Gail Kulick Jackson (DFL-Milaca), who sponsors the law with Sen. Linda Scheid (DFL-Brooklyn Park), gave another example of loaning someone \$4 million, securing \$1 million of it on the person's residence and the other \$3 million on a coin collection. "We will pay mortgage registry tax on \$1 million, and therefore, even if your land doubles, I can't come back and collect \$2 million off of foreclosing. I am limited to the amount of the debt expressed in the mortgage and expressed by the mortgage registry tax."

The law takes effect July 1, 2010.

HF2828\*/SF2231/CH211

— M. COOK

**New Richfield firefighter residency****Signed  
by  
the  
governor**

Newly hired Richfield firefighters must live within a response time of no more than 10 minutes from the fire station, according to a new law signed April 1 by Gov. Tim Pawlenty.

Rep. Linda Slocum (DFL-Richfield), who sponsors the law with Sen. Ken Kelash (DFL-Mpls), said it will help the city respond to budget cuts without compromising public safety. She said the residency requirement is a better alternative to shifting some full-time employees to part-time and paying off-duty personnel to be on call whether they are actually called to an emergency.

The requirement holds for the first 10 years of employment or until the proposed seven-year expiration date. The sunset clause will allow the city to evaluate the measure, Slocum said.

The law is effective April 2, 2010.

HF2729\*/SF2400/CH207

— K. BERGGREN

**Sewer fees help stagnant fund****Signed  
by  
the  
governor**

Because of the stagnant economy and slow construction starts, the Metropolitan Council's wastewater reserve capacity fund, normally funded by sewer availability charges

(SAC) assessed on new commercial or residential development, is running low.

A new law, signed by Gov. Tim Pawlenty April 1, authorizes the council, if necessary, to temporarily change its source for revenue to cover debt service payments from the wastewater reserve capacity transfer to regular sewer fees charged to local governments in the seven-county Twin Cities metropolitan area served by the council. Local governments could then assess consumers to cover the increase. That cost per household is estimated at no more than \$1.20 per month.

The law takes effect April 2, 2010, and expires Dec. 31, 2015.

Rep. Paul Gardner (DFL-Shoreview), who sponsors the law with Sen. Ann Rest (DFL-New Hope), called the measure "a common sense approach during economically difficult times" that would help maintain high bond ratings.

The shift would be made up in subsequent years when a two-year balance in the wastewater reserve fund is reached. Then, the SAC transfer to the operating fund must be increased to make up for prior reductions. At that point, charges to local governments would be reduced proportionately.

HF2949\*/SF2925/CH212

— K. BERGGREN

**Commission structure adjustment****Signed  
by  
the  
governor**

The Minneapolis School Board was recently restructured by voter referendum from an all at-large board to one composed of six members representing specific zones and three at-large

members.

A new law, signed April 1 by Gov. Tim Pawlenty, gives the city permission to appoint two members from the school board to that city's redistricting commission, in lieu of current commission members appointed by the majority and minority caucuses of the city council.

The school board members would participate in redistricting school board districts in the city, but not city council districts.

The law requires new school board districts, to the extent possible, to hold relatively equivalent distributions of population; retain concentrations of racial or language minority populations; consist of "contiguous compact territory;" and, when possible, feature boundaries that run mostly east to west, or north to south.

Rep. Jim Davnie (DFL-Mpls) and Sen. Patricia Torres Ray (DFL-Mpls) sponsor the law, which takes effect the day after the Minneapolis school district files with the secretary of state a certificate indicating its approval of this law.

HF2360\*/SF2738/CH208

— K. BERGGREN

**Duluth area board expansion****Signed  
by  
the  
governor**

The Spirit Mountain Recreation Area Authority can increase its board from seven to nine members.

Gov. Tim Pawlenty signed the new law April 1. It takes effect upon approval by the City of Duluth, and specifies the two new board terms will initially be four years, then revert to three-year terms.

The Duluth ski area plans to offer four-season activities to draw more tourism, according to Rep. Roger Reinert (DFL-Duluth), who sponsors the law with Sen. Yvonne Prettner Solon (DFL-Duluth). More members will help the board carry an increased workload accompanying its expansion plans.

HF2786\*/SF2397/CH203

— K. BERGGREN

If you will be visiting the Capitol in the near future,  
call the Capitol Historic Site Program  
at 651-296-2881 to schedule a tour.

## St. Clair baseball field ads OK

Signed  
by  
the  
governor

The St. Clair School District can place advertising signs within its baseball field perimeter.

Gov. Tim Pawlenty signed the new law April 6. It is effective

April 7, 2010.

Rep. Tony Cornish (R-Good Thunder), who sponsors the law with Sen. Julie Rosen (R-Fairmont), said that the law is "meant to be a fix between two conflicting state statutes." One permits school districts to collect revenue from outdoor ads, such as billboards placed on school property; the other permits advertising only within 100 feet of a school.

The new law allows the ads within the baseball field area and requires signs to be visible only to those inside the stadium area.

HF3172\*/SF2797/CH221

— K. BERGGREN

## Town hall meeting minutes

Signed  
by  
the  
governor

Outdated references to how town hall meeting minutes are signed will be removed from statute, under a new law signed by Gov. Tim Pawlenty.

Sponsored by Rep. Jeanne Poppe (DFL-Austin) and Sen. Tony Lourey (DFL-Kerrick), the law allows the town clerk and a meeting moderator to sign meeting minutes. If the town clerk is the moderator, the minutes will also have to be signed by a supervisor in attendance.

Poppe said the changes come at the request of the Minnesota Association of Townships because elections were previously held simultaneously with town hall meetings. Now that events are separate, statutes need to reflect the changes.

The law is effective Aug. 1, 2010.

HF3468/SF3167\*/CH195

— P. OSTBERG

## Employees can't be a city leader

Signed  
by  
the  
governor

Full-time, permanent employees of a city will be prohibited from serving as mayor or on the city council.

The new law, signed by Gov. Tim Pawlenty March 30, takes

effect for elections held or appointments made on or after Aug. 1, 2010.

Rep. Steve Smith (R-Mound), who sponsors the law with Sen. Gen Olson (R-Minnetrista), said it is consistent with other statutes regarding school board and county employees serving as elected officials.

David Osmek, a Mound City Council member, told the House Local Government

Division March 15 the law would have prevented some ongoing conflicts of interest. He cited the case of a city employee participating in closed union contract negotiations, which had a direct effect on the Mound administrative code, and in turn, his own salary.

In another instance, the council had to decide on home water meters based on what they later learned was incomplete information given by one of its members who worked in that field and favored a particular kind of meter.

HF3350\*/SF2953/CH206

— K. BERGGREN

## MILITARY

### Veterans' business preference

Certain military veterans who own small businesses are given preference in bidding for state contracts for goods and services. A bill that would have expanded that preference to all veterans failed on a 6 to 4 vote March 25 by the House State Government Finance Division.

Sponsored by Rep. Dan Severson (R-Sauk Rapids), HF2809 would expand the preference from women, minorities, the disabled and those who served in active service since Sept. 11, 2001, to include all military veterans. The bill would cap the total number of veterans' preference contracts at 6 percent.

"We have received correspondence from some Vietnam veterans, some Desert Storm, Gulf War veterans who say, 'Why are you discriminating against us?'" Severson said.

Division Chairwoman Rep. Phyllis Kahn (DFL-Mpls) said a proper study would be needed to determine if there is a problem with certain veterans not receiving their share of contracts. New and disabled veterans were added to those with preference without a study because the need was so visible, she said. Florida is the only state that gives preference to all veterans, she added.

"It's the Vietnam-era veterans and it's the Gulf War veterans who have the companies that want to hire these men and women," said Jerry Kyser, vice chairman of the United Veterans Legislative Council of Minnesota. While current law allows younger veterans to take advantage of the preference, many of these younger veterans don't own a business capable of handling a state contract, he said.

A companion, SF3234, sponsored by Sen. Chris Gerlach (R-Apple Valley), awaits action by the Senate State and Local Government Operations and Oversight Committee.

— P. OSTBERG

### Cookie notification not required

Signed  
by  
the  
governor

A temporary computer cookie is often needed to provide electronic government services.

Effective Aug. 1, 2010, a government entity will no longer be required to provide notice when installing a temporary cookie on a person's computer that will be deleted when the user closes their web browser or web application. An entity would still need to notify the user if placing a permanent cookie on their computer.

Brought forth by the Office of Enterprise Technology, the law is needed because current statute does not differentiate between temporary and permanent cookies.

Current statute says that if a person refuses to accept a temporary cookie, a state agency still has to facilitate the transaction.

Designed to facilitate a transaction by connecting Web pages together — such as one page contains your name and address and another page contains credit card information — temporary cookies are not considered a threat to data privacy, and are used by the federal government, most other states and many companies.

Rep. Gene Pelowski, Jr. (DFL-Winona) and Sen. Don Betzold (DFL-Fridley) sponsor the law, signed April 6 by Gov. Tim Pawlenty.

HF2988\*/SF2327/CH222

— M. COOK

### Publication survey required

Signed  
by  
the  
governor

Recipients of three free legislative publications will be surveyed.

Sponsored by Rep. Brita Sailer (DFL-Park Rapids) and Sen. Lisa Fobbe (DFL-Zimmerman),

a new law requires the Office of the Revisor of Statutes to survey and obtain written requests from people authorized to receive free distribution of 2010 Minnesota Statutes, 2010 Minnesota Laws and 2011 Minnesota Rules.

The survey must notify the recipients that the text of the statutes, laws and rules will be available on the revisor's Web site prior to the availability of the print versions. The revisor is also required to ask recipients if they would like to continue to receive the free copies. Only those who respond to the survey requesting copies will receive them.

Signed April 6 by Gov. Tim Pawlenty, the law is effective April 7, 2010.

HF1780\*/SF1682/CH217

— P. OSTBERG



## TAXES

### Could TIF help fund streetcars?

Imagine streetcars as part of the mix of mass transit options in the Twin Cities metropolitan area. Rep. Frank Hornstein (DFL-Mpls)

sponsors HF3218 that could help bring the lines back to the streets.

The bill would create a new type of tax increment financing district to help finance improvements and costs related to rail and bus rapid transit lines. It was held over April 7 by the House Taxes Committee for

possible omnibus bill inclusion.

Although the change could be applied along a transit corridor anywhere in the state, Hornstein hopes the new TIF category would help bring the old transportation mode back to the streets of Minneapolis —specifically along the Lake Street Corridor and serve as a “critical connector” between the Hiawatha Line and the proposed Southwest rail line. It could also be a catalyst for development.

The concept has the support of the City of Minneapolis, and the Metropolitan Council has indicated its willingness to collaborate on the project.

TIF is an economic development tool that is not without its critics, including Rep. Ann Lenczewski (DFL-Bloomington), chairwoman of the committee. “We have a lot of TIF districts in the state, and this would obviously create a whole bunch more, and a whole bunch more property taxes that are not transparent. It’s not about this TIF bill, but every TIF bill.” She cautioned that, while many TIF bills before the committee are limited in scope, this one would apply across the state and needs careful consideration.

To qualify, the new TIF-designated area would need to be within one-half mile of a qualifying transit line, such as light rail, commuter, bus rapid transit or streetcar.

Rep. Roger Reinert (DFL-Duluth) suggested that passenger railroad lines also be included.

Peter Wagenius, policy director for the City of Minneapolis, said that at least four cities in other states have received federal funding for streetcar projects, and that Minnesota could be in line to see funds. “There is nothing superior about their projects,” he said. “We just are not yet in the position to compete. They took the streetcar concept earlier; they identified local funding streams for the match.”

A companion, SF2919, sponsored by Sen. D. Scott Dibble (DFL-Mpls), awaits action by the Senate Finance Committee.

— L. SCHUTZ

## WAITING TO BEGIN



PHOTO BY ANDREW VONBANK

Rep. Gene Pelowski Jr., left, and Rep. Jeanne Poppe confer on the House floor prior to the March 29 session.

## TRANSPORTATION

### Bridge classification system

**Signed  
by  
the  
governor**

The Trunk Highway Bridge Improvement Program of 2008 established criteria for classifying bridges in need of repair through June 30, 2018.

Effective Aug. 1, 2010, bridges that did not qualify as part of the original three-tiered system for repairs will fall into a subsequent prioritization program based on:

- service interruption risks resulting in temporary road closures or restrictions; and



- risk factors such as age, condition, load capacity, traffic volume and susceptibility to flood damage.

The transportation commissioner shall develop the new classification system by Feb. 1, 2011.

Sponsored by Rep. Bernie Lieder (DFL-Crookston) and Sen. Michael Jungbauer (R-East Bethel), the new law was signed April 1 by Gov. Tim Pawlenty.

HF2915\*/SF2847/CH205

— S. HEGARTY

### North Branch to honor war hero

**Signed  
by  
the  
governor**

Marine Cpl. Johnathan Benson, a graduate of North Branch High School, was granted a purple heart after he was wounded during a second tour of duty in Iraq in 2006. The 21-year-old died from his injuries Sept. 9, 2006.

In remembrance of Benson's sacrifice, a stretch of Highway 95 in North Branch will be renamed the "Corporal Johnathan Benson Memorial Highway." Signed into law March 26 by Gov. Tim Pawlenty, it takes effect Aug. 1, 2010.

Rep. Jeremy Kalin (DFL-North Branch) and Sen. Rick Olseen (DFL-Harris) are the law's sponsors.

The Transportation Department will adopt a suitable marking design and erect the appropriate signs. Community funding will pay for new signs.

HF2575/SF2183\*/CH196

— S. HEGARTY

### License reinstatement extension

**Signed  
by  
the  
governor**

Effective March 27, 2010, a new law extends the period that people are allowed to participate in the driver's license diversion program.

The 2009 law authorizing a program contained a June 30, 2011, sunset. The new law removes that sunset and clarifies that a city participating in the program can accept participants until that date. A third party administering the program can collect and disburse collected fees through Dec. 31, 2012, at which time the pilot project will end.

People charged with driving after suspension or revocation, but who have not yet entered a plea can participate. In exchange for a diversion driver's license, participants must maintain insurance, make regular payments toward the outstanding fines and complete a class that teaches life and financial management skills. Offenders will pay for program costs. It is directed at people who

## FILL'ER UP



PHOTO BY ANDREW VONBANK

**Rep. Kate Knuth inspects the electric-charging connection on an electric car during an April 6 demonstration of electric/plug-in hybrid vehicles and solar infrastructure outside the Capitol.**

want to get valid licenses, but for various reasons, such as limited finances, are unable to do so.

Duluth, St. Paul, South St. Paul, West St. Paul and Inver Grove Heights are eligible to take part in the pilot program; however, the public safety commissioner may permit other cities to establish a program. That is not

expected until after a report is submitted next year on the program's effectiveness. Nearly 500 people are taking part in the St. Paul program.

This just says that people that get into the program late have the same amount of time and opportunity as people who got in the program early, said Rep. John Lesch (DFL-St.

Paul), who sponsors the law with Sen. Yvonne Prettner Solon (DFL-Duluth).  
HF3321/SF2946\*/CH197

— M. COOK

### Eminent domain modification

**Signed  
by  
the  
governor**

If a governing body determines that land it acquired through eminent domain for public use is no longer needed, it must offer to sell the land back to the owner from whom it was acquired at the lower of the condemnation price or the fair market value.

Signed April 6 by Gov. Tim Pawlenty, a new law will correct an oversight in a 2008 law to put Minnesota in compliance with federal law when dealing with excess property disposition in the transportation area.

Effective Aug. 1, 2010, it requires the acquiring authority to offer to sell excess, unneeded property acquired by eminent domain back to the previous owner at fair market value if the property interest was obtained with federal transit funding. This is already established in law for property acquired using federal highway funding.

Rep. Steve Simon (DFL-St. Louis Park) and Sen. Sandy Pappas (DFL-St. Paul) are the sponsors.

HF3336\*/SF3031/CH219

— M. COOK

### Veterans honored in North Branch

**Signed  
by  
the  
governor**

Military veterans will be honored with the renaming of the Highway 95 Bridge in North Branch.

Gov. Tim Pawlenty signed

the law authorizing the name change to the "Veterans Memorial Bridge" March 30. The Transportation Department will adopt a suitable marking design and erect the appropriate signs. Community funding will pay for new signs.

Rep. Jeremy Kalin (DFL-North Branch) and Sen. Rick Olseen (DFL-Harris) sponsor the law, which takes effect Aug. 1, 2010.

HF2561\*/SF2182/CH204

— S. HEGARTY

To find out who represents  
you at the Capitol . . .  
Call House Public Information Services  
at 651-296-2146  
or 800-657-3550

## LIGHT OF DAY



PHOTO BY TOM OLMSCHIED

A stream of light from one of the windows of the Capitol Dome illuminates a March 29 meeting between lobbyist Dominic J. Sposeto and Rep. Tom Anzelc outside the House Chamber.

## Frequently called numbers

Area code 651

### House Public Information Services

296-2146

### Meeting Hotline, House

296-9283

### Chief Clerk of the House

296-2314

### House Index

296-6646

### Senate Information

296-0504

### Secretary of the Senate

296-2344

Voice mail/order bills..... 296-2343

### Senate Index

296-2887

### Meeting Hotline, Senate

296-8088



## Ensuring good management

Twelve legislators decide which programs legislative auditor will evaluate

By SUE HEGARTY

**E**ven American Idol contestants cringe when being critiqued, but when you are a state agency or tax-funded program, becoming a finalist for a program evaluation by the Office of the Legislative Auditor can be downright scary.

"There have been very few reports where the auditor sits down and goes, 'They're doing a fine job. We oughta give 'em a gold star,'" said Rep. Mike Beard (R-Shakopee), vice chairman of the Legislative Audit Commission, which selects programs for the OLA to evaluate.

According to its Web site, "The office's principal goal is to provide the Legislature, agencies, and the public with audit and evaluation reports that are accurate, objective, timely, and useful. Through its reports, the office seeks to strengthen accountability and promote good management in government."

Two years after the office was created in 1973, the Program Evaluation Division was added. Each year, OLA staff analyze about three to six state-funded programs. Legislative Auditor Jim Nobles accepts the assignments from the commission, which is comprised of 12 legislators. There are six House and six Senate members, and it is equally divided between the majority and minority parties.

In addition to Beard, current commissioners are: Rep. Rick Hansen (DFL-South St. Paul), Rep. Bill Hilty (DFL-Finlayson), Rep. Mary Liz Holberg (R-Lakeville), Rep. Ron Shimanski (R-Silver Lake), Rep. Steve Simon (DFL-St. Louis Park), Sen. Don Betzold (DFL-Fridley), Sen. Joe Gimse (R-Willmar), Sen. David Hann (R-Eden Prairie), Senate President James Metzen (DFL-South St. Paul), Sen. Ann Rest (DFL-New Hope) and Sen. Claire Robling (R-Jordan).

The program evaluation division is apolitical, amid the push and pull of bipartisan commissioners.

"In the world we operate in here, you have interest groups and entities providing their

opinions and they have goals and objectives. We need that third-party evaluation to cut through some of these issues, and to do that follow-up to make sure things are working as we intended," said Hansen, the commission's topic selection subcommittee chairman.

Anyone can suggest a program evaluation, but most ideas are vetted through legislators. Commissioners ask for topic ideas in January, and narrow the list to 12 in March. Then a subcommittee recommends three to six programs.

"People corner you and persuade you to pick their topic," Hansen said. "When you make that first cut down from 69 (topics) to 12 you have a lot of disappointment."

Commissioners receive one background sheet on each topic finalist, and then they publicly vote on which programs to evaluate. For example, on March 26 the commission chose three topics that the subcommittee recommended for review this year: environmental permitting, K-12 online learning and the state's sex offender treatment program at Moose Lake and St. Peter.

However, that process is not necessarily a slam-dunk. Last year, Rep. Mary Murphy (DFL-Hermantown) joined commissioners at the table and pleaded her case for a library evaluation. Commissioners chose it as one of six programs to evaluate; the report was released March 22.

Auditors will spend the next six to nine months mapping the scope of the topics chosen, studying literature, reading peer reviews, interviewing and writing their findings and recommendations. Those being evaluated will be notified; there are no surprise

### Recent OLA Reports

The following program evaluation reports from the Office of the Legislative Auditor can be found online at [www.auditor.leg.state.mn.us](http://www.auditor.leg.state.mn.us).

- Public Libraries (released March 22, 2010)
- Natural Resource Land (released March 5, 2010)
- Workforce Programs (released Feb. 17, 2010)
- Public Defender System (released Feb. 16, 2010)
- MnSCU System Office (released Feb. 9, 2010)
- Alternative Education Programs (released Feb. 3, 2010)


visits. Auditors sign disclosure statements prior to each assignment so Nobles can determine their level of objectivity for a topic. For highly specialized topics, consultants may be brought in.

The OLA is the only legislative branch office protected by the Data Practices Act.

"We get to see everything that an agency has. Anybody that receives public money, not just agencies, but nonprofits and private organizations that receive public money, must provide to the legislative auditor all documents of any classification that the legislative auditor requests to see," Nobles said. "It also imposes on us a very strong requirement to retain the confidentiality of a lot of material that we obtain."

In the fall, representatives of programs being evaluated may read the draft report and offer changes or corrections. Their formal responses are included in the final report, which is traditionally published in time for the next session.

Reports frequently are a catalyst for new legislation.

For example, Beard drafted bills resulting from a 2004 report on the Metropolitan Airports Commission. This year's report critical of the Department of Natural Resources' deferred maintenance of land holdings also prompted legislative action to divert acquisition funds toward a backlog of maintenance needs. 



# Budget cuts, round one

Despite deep spending cuts, legislators try to soften the blow

By Nick Busse

**L**awmakers promised quick action on balancing the state's budget, and they delivered — the first one-third of it, anyway.

On April 1, Gov. Tim Pawlenty signed a new law that will cut \$312 million from the state's budget. Covering a wide range of programs and agencies, the law will reduce the state's estimated \$994 million budget deficit by nearly one-third, mostly through spending cuts.

The law marks the first of what are expected to be three budget-balancing bills put forward by the Legislature this year. The next two pieces will cover health and human services, and funding for schools. Speaking on the House floor March 29, Rep. Lyndon Carlson Sr. (DFL-Crystal) said the first round of cuts, though painful, will ease the pressure on those other budget areas.

"Making targeted cuts in these areas will allow us to protect education from cuts to the classroom and reduce the amount that must be cut from health and human services," said Carlson, who sponsors the law with Sen. Richard Cohen (DFL-St. Paul).

House and Senate leaders negotiated a deal with the governor that includes many of the cuts Pawlenty wanted, but also cushions the blow for poor and disabled Minnesotans and local governments.

The largest cut, \$111.3 million to local aids and credits, is less than half of what Pawlenty called for in his supplemental budget plan. DFLers said the governor's plan would have

## Budget cuts in the law

Local aids and credits.....	\$111.3 million
Higher education.....	\$47 million
Public safety.....	\$35.4 million
State government.....	\$33 million
Environment.....	\$24.1 million
Energy and commerce.....	\$23.8 million
Economic development.....	\$16.3 million
Transportation.....	\$14.5 million
Agriculture and veterans.....	\$7 million
Arts and cultural heritage.....	\$2.5 million

harmed core government functions like police and fire services.

Likewise, the Legislature mostly spared student financial aid programs from the budget ax, despite a \$47 million total cut to higher education. So, too, did they mitigate the governor's proposed cuts to economic development programs — especially those targeted toward disabled Minnesotans.

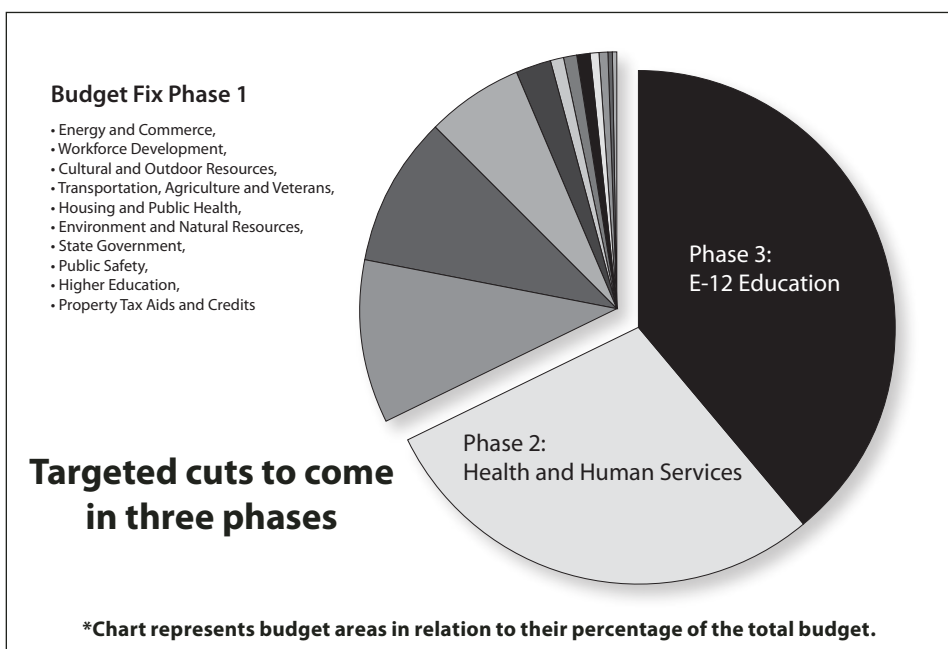
In some areas, such as environment and transportation, the Legislature actually cut more than what the governor wanted, however. DFLers, who last year proposed a \$1 billion tax increase package as part of their budget solution, were not altogether happy about passing yet another round of cuts.

"There's a lot of us on this side of the aisle that didn't get elected to hurt people like they're being hurt in this bill," said Rep. Tom Rukavina (DFL-Virginia). "We had a practical solution to balance the budget, but we don't have a practical governor anymore."

Republicans, for very different reasons, don't like the bill either.

Despite making an "admirable set of cuts," Rep. Keith Downey (R-Edina) said the law doesn't address the state's long-term deficit, which according to some estimates might reach the \$5 billion to \$8 billion range in the next biennium. Downey said permanent changes to government programs are needed to reduce spending.

"This Legislature is not dealing with fundamental reforms. We're not dealing with



Source: House Budget Resolution

**Budget continued on page 22**

# Not-so-great expectations

State colleges and universities prepare for more budget cuts

By Nick Busse

**W**ith the ink barely dry on the latest round of state cuts to higher education funding, officials from the University of Minnesota and the Minnesota State Colleges and Universities system are already planning for more cuts next year.

“The state’s fiscal outlook at this juncture in the process is as bad as I’ve ever seen it,” said MnSCU Vice Chancellor and Chief Financial Officer Laura King. “As we think about biennial budget planning, it’s a question of bad or worse, from an outlook standpoint.”

During the last two years, the state’s ongoing fiscal problems have led to a series of budget cuts and unallotments to higher education. From \$713 million in fiscal year 2008, the university has seen its state funding drop to just \$591 million for fiscal year 2011. During that same period, MnSCU has gone from \$667 million to \$606 million.

The supplemental budget bill signed by Gov. Tim Pawlenty April 1 sets the institutions’ base funding at a higher level in fiscal year 2012; however, neither MnSCU nor the university seems to think they’ll actually get the amount promised.

“I think that’s wishful thinking,” said Richard Pfitzenreuter, vice president and chief financial officer for the university.

On April 7, Pfitzenreuter, King and other officials presented their institutions’ respective 2012-13 biennial budget plans to members of the House Higher Education and Workforce Development Finance and Policy Division. The plans include layoffs, closure of academic programs, salary freezes or cuts, reduced services and tuition increases.

At the university, Pfitzenreuter said 1,200 faculty, staff and student positions are being cut through early retirement incentives,

elimination of vacant positions and layoffs. In addition, tuition increases, temporary salary reductions and furloughs are also in the works. Finally, the university is restructuring various campus services: delaying classroom upgrades, repairs and replacements, and reducing maintenance and cleaning.

Some MnSCU schools are contemplating similar measures. St. Cloud State University President Earl Potter said his school is already laying off nine faculty members and eliminating 26 academic programs — one-tenth of the total offered — to deal with the current deficit. Potter said they expect to eliminate another 25 or so faculty positions in the next biennium.

“We have squeezed all the blood out of the stone that we think we can, and so I don’t see that we can negotiate the next biennium without faculty layoffs,” Potter said.

He added that the school has already cut all of the programs that were not considered financially successful, and that “the next cuts we have to make will be things that are successful.”

One option that’s always available to shore up higher education budgets is tuition increases, but neither MnSCU nor the university intends to solve

a majority of the problem that way. While both King and Pfitzenreuter said that tuition would be a part of the overall solution, King emphasized the commitment to keep higher education affordable and accessible to the public.

“Our approach to tuition will be reasonable,” she said, adding that tuition increases at MnSCU would likely be kept below double-digit percentages.

**Higher Education continued on page 22**



PHOTO BY TOM OLMSCHIED

**Ann Wynia, president at North Hennepin Community College, tells the House Higher Education and Workforce Development Finance and Policy Division April 6 that her college is doing more with less to give low academic students a chance to succeed. Wynia is holding a copy of the college’s magazine that features a story of one student and an instructor who influenced his success.**

# Nursing a level playing field

Sides differ on who should pay for nursing home costs

By LAUREN RADOMSKI

**A** I McAfee thought he and his wife of 61 years, Alice, were doing everything they were supposed to.

They worked for decades: he as a teacher and small business owner, she as a legal secretary, accountant and federal program officer. They invested their money and skipped extravagances. When Alice was diagnosed with dementia in retirement, their long-term care insurance, pensions, savings and Social Security kicked in to cover her nursing home costs.

Now McAfee is concerned a proposal to lift restrictions on nursing home fee-setting could disrupt their delicate payment balance.

Rate equalization is the Minnesota policy that prohibits nursing homes from charging private pay residents more than residents on Medical Assistance, except in certain circumstances. Minnesota is one of only two states with a rate equalization law, which was adopted in the early 1980s.

Gov. Tim Pawlenty and some House members support repealing rate equalization and gradually allowing cash-strapped nursing homes to set their own rates for private pay residents. While providers say the repeal is long overdue, some residents and their families claim it would punish people who saved for their long-term care.

"I'm just saying I thought most people did that," McAfee told the House Health Care and Human Services Policy and Oversight Committee March 11. "...Tell me what I should do. Buy a Cadillac? My neighbor

went to Hawaii three times on his credit card. I went once — in World War II."

## Help for nursing homes

Under the governor's supplemental budget proposal, rate equalization would be phased out over the next three years. Beginning in July, nursing homes could increase private pay rates by up to 2 percent. Incremental increases would be permitted until October 2013, when nursing homes could charge private pay daily rates at whatever amount they choose. The repeal is intended to help providers

manage anticipated cuts in Medical Assistance, the state's Medicaid program.

Proponents of the phase-out say it is not unreasonable to ask people who can afford it

to contribute more to their own cost of care, especially when some nursing homes are struggling.

Christine Bakke is the administrator of St. Benedict's Senior Community in St. Cloud, where cuts to Medicaid reimbursement have strained finances.

It's to the point where Bakke is considering reducing staff wages and benefits.

"We all know that when you cut your staff in a health care setting, the only people that impacts are your

residents and the quality of the care that they receive," she said.

St. Benedict's is not alone. The Long-Term

Care Imperative, a partnership between Minnesota's two long-term care provider associations, estimates nursing homes lose an average of \$20 per resident per day as a result of the gap between state rates and actual costs of care.

"People should pay what it costs us to provide a service," Bakke said. "We have watched our nursing homes deteriorate because we can't make a profit."

Not everyone agrees repealing rate equalization would be the best solution. Michele Kimball, director of AARP Minnesota, is concerned shifting costs would hit private payers hard. She predicts the repeal would drive state costs up in the long term, as private payers run out of money and wind up on Medical Assistance.

Others say rate equalization is an important protection for low-income residents who could otherwise face discrimination in obtaining housing.

"Of greatest concern in eliminating rate equalization is the looming possibility that nursing homes will pick and choose from the waiting list for admissions based on the ability to pay," said Jane Ochrymowycz, president of the Seniors and Workers for Quality Coalition.

That should not happen, Bakke said, as such discrimination is prohibited in the regulations governing nursing homes' participation in Medicare and Medical Assistance.

## Taking responsibility

The debate over rate equalization is ultimately about personal responsibility. People who favor the repeal say the current system does not offer Minnesotans incentives to purchase long-term care insurance or save for their own long-term care costs. Opponents claim that repealing rate equalization would only exacerbate the problem.

It is already common for seniors to transfer assets to family members or to a favorite cause in order to qualify for Medical Assistance and

**Others say rate equalization is an important protection for low-income residents who could otherwise face discrimination in obtaining housing.**

**Proponents of the phase-out say it is not unreasonable to ask people who can afford it to contribute more to their own cost of care, especially when some nursing homes are struggling.**



# Legislative powers

Giving legislators a chance to call themselves into special session

By PATTY OSTBERG

**R**ep. Lyndon Carlson Sr. (DFL-Crystal) thinks legislators could have acted more quickly to pass a comprehensive transportation bill after the Interstate 35W bridge collapse in 2007, and provided state assistance when flooding happened in southern Minnesota last year.

However, they couldn't because they weren't called into a special session.

Sponsored by Carlson, HF2577 would ask voters this November if legislators should be able to call themselves into special session. Currently, only the governor can call a special session.

Approved March 18 by the House State Government Finance Division, the bill awaits action by the House Finance Committee, which Carlson chairs.

The proposed constitutional amendment would allow the Legislature to convene for seven legislative days after written agreement by the president and majority leader of the Senate, speaker and majority leader of the House, and the rules committees in each body.

Carlson amended his original proposal to specify only seven days, saying it still allows for public participation while resolving issues in a timely manner.

Under current law, the Legislature can only call a special session on the first Tuesday after the first Monday more than 30 days after an attack on the state. Otherwise, the governor can call a special session upon "extraordinary occasions."

***"It would provide for more transparency, it would hopefully eliminate gridlock ... it allows the Legislature to act promptly if we were dealing with a disaster."***

— Rep. Lyndon Carlson Sr.  
DFL-Crystal



more transparency, it would hopefully eliminate gridlock ... it allows the Legislature to act promptly if we were dealing with a disaster."

***"I don't know why we would want to grant the Legislature carte blanche authority to take up bills at any point of time through the year."***

— Rep. Keith Downey  
R-Edina



balance between the branches of government and reduce the gridlock that results when

governing bodies do not agree," Carlson said.

Rep. Joyce Peppin (R-Rogers) has two problems with the proposal: minority party members are not included in calling a special session and the Legislature could potentially call several special sessions because the bill doesn't limit the number.

Carlson said the rules committees have both minority and majority members, and requiring minority caucus authorization could lead to more gridlock. "Public opinion would probably weigh in if it appeared it was being abused," he said.

"I don't know why we would want to grant the Legislature carte blanche authority to take up bills at any point of time through the year," said Rep. Keith Downey (R-Edina), adding the constitution has built-in constraints for the governor such as "extraordinary occasions."

Downey also expressed concern that the authority would give the Legislature less incentive to be done on time; instead it could "push the deadline back, and push the deadline back, and just like any other project where you have a movable final date ... people just push things off."

Countered Carlson, "I always find it rather interesting when legislators are concerned about having greater opportunity for input. ... I would think that would be something that most of us would be quite interested in, and that's to maintain and have a good balance of power between the executive and legislative branch."

Rep. Mary Kiffmeyer (R-Big Lake) noted there is a cost to putting the constitutional amendment on the ballot. To add one proposed amendment to optical scan ballot cards, for county auditors to program and count votes cast, and for printing and publishing the total cost is \$102,000.

A companion, SF2260, sponsored by Sen. Richard Cohen (DFL-St. Paul), awaits action by the Senate Rules and Administration Committee. 🐼

# Helping farmers help themselves

Low-interest loan program designed to assist agricultural growth in state

By PATTY OSTBERG

**W**ithout a low-interest agriculture improvement loan from the Rural Finance Authority, Greg Piller said he wouldn't have been able to expand his dairy farm from about 60 to 120 cows. The loan helped to build a new barn and other buildings to improve their production and improve the facilities to "run more efficiently, so we were able to increase our herd without basically adding any labor," he said.

Like Piller, many beginning farmers and those struggling financially have turned to the state for help. The RFA, a division of the Department of Agriculture, shares risk with commercial banks to give various types of low-interest loans to farmers. About 2,400 farmers have benefitted from the authority's loan program since the Legislature established it in 1986.

Since then, the RFA has issued \$161 million in loans. As of December 2009 the outstanding loan balance was \$55.7 million, representing 623 loans.

Dennis Kasper, vice president of agriculture loans at Security State Banks of Wanamingo, said many of the basic farm loans he helps young farmers process are to obtain needed land and for dairy farm expansions. He said an interest rate of just 3 percent to 4 percent can "make or break a young farmer's cash flow."

"It's tough for a new farmer to get involved unless he's connected with his dad, or

programs such as RFA's beginning farmer program," Kasper explained. Livestock expansion and equipment programs are permitted fund uses to help dairy farmers expand their herd and install technology upgrades, such as robotic milking devices, he said.

Many times Kasper will help farmers obtain federal farm loans and RFA loans combined. The advantage of the state programs is they are more user-friendly with less paperwork, he added.

## A winning relationship

RFA Director Peter Scheffert describes the relationship with banks as "a win-win all around." He said the authority doesn't want to compete with banks, but "to be able to support them, and not do a job the private industry can do." By sharing the loans with banks it helps reduce risk to the bank and lowers the interest rate to the beginning farmer, he said. Since its inception, the authority has only had 15 loan losses totaling \$200,893.

Jim Boerboom, deputy commissioner with the Department of Agriculture, said the loans are a great example of a public/private partnership with limited credit risk to the state and financial institutions. RFA works with more than 400 commercial banks and 32 farm credit offices across the state.

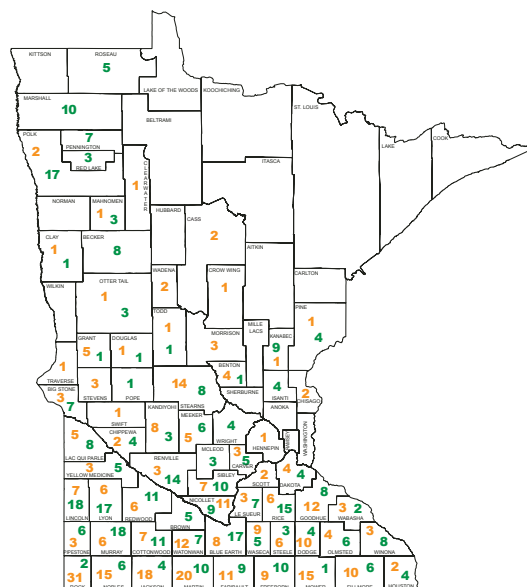
As provided for by the state constitution, the state sells bonds and the RFA uses the bond proceeds to fund the loans to farmers while offering them at a reduced interest rate. The authority has received requests to expand their program to such things as loan guarantees, but it's resisted because of the increased credit risk, Boerboom said.

Because of the economic stress of commodity prices in the livestock industry during the past year, RFA is finding dairy and hog farmers using a lot more restructure loan programs, said Scheffert.

"If we're going to give you money, we want you to be successful," Scheffert said.

**Agriculture continued on page 22**

Farm loans made through the RFA Programs through 7-1-09



Source: Department of Agriculture

**Agriculture improvement loans finance such things as grain handling facilities, machine storage and manure systems. Restructure loans help farmers reorganize their farm debt to improve cash flow. Livestock expansion creates affordable financing for new state of the art livestock production facilities.**

## Budget continued from page 17

the structural deficit that we have, and we're just nibbling around the edges," Downey said.

Republicans also criticize DFLers for what they see as a piecemeal approach to balancing the budget. The new law covers virtually every area of the state budget except for the two largest pieces: K-12 education and health and human services. Rep. Mark Buesgens (R-Jordan) compared voting for the first budget bill to taking out a mortgage on a house after only seeing a picture of it.


But DFLers counter that they can't bring the other two budget bills forward. They're on hold while lawmakers await confirmation of a proposed federal expansion of health care funding. If enacted, that expansion could solve as much as \$400 million of the state's remaining \$682 million problem.

Moreover, there's another holdup: lawmakers are also awaiting a pending Supreme Court decision on the constitutionality of Pawlenty's budget unallotments last year. If the court rules against the governor, it could force a reinstatement of the funding he cut unilaterally, leaving the Legislature with an additional \$2.7 billion budget gap to deal with.

House Majority Leader Tony Sertich (DFL-Chisholm) dismissed criticisms about the one-bill-at-a-time approach, noting that the DFL majority's full budget plan, including education and health and human services funding, has already been spelled out in the House's budget resolution. He also said it was important to move quickly to solve as much of the deficit as possible.

"Halfway through the session, we are going to solve a significant chunk of this budget deficit, and I don't know why people are afraid of that," Sertich said.

Most provisions in the law are effective April 2, 2010.

HF1671\*/SF3223/CH215 

## Higher Education continued from page 18

### Hurting toward a cliff

As deep as the cuts have been over the last two years, they might have been deeper if not for the federal stimulus.

The American Recovery and Reinvestment Act of 2009 provided Minnesota with "stabilization funds" that lawmakers used to shore up higher education funding. That money came with a requirement that Minnesota can't reduce its higher education funding to below its 2006 levels.


Next year, that money will dry up, and lawmakers will be free to cut funding as

much as they need to. To make matters worse, college enrollment statewide is at an all-time high, as workers laid off during the recession have returned to school seeking retraining or looking for a new career field.

"We are really up against it from a capacity standpoint," King said. "We are reaching a point at some of our institutions where we are at de facto enrollment caps already."

King calls it "a time of great ambiguity." Without new federal money or an increase from the state, the hard times will only continue at state colleges and universities.

There's always a chance the state's budget situation will improve dramatically in the coming months, but Pfitzenreuter said he doesn't expect it to happen. In the meantime, the university is preparing to face the funding cliff as best they can, looking for efficiencies wherever they can find them — no matter how small.


"I have to now take my own garbage to a main receptacle," Pfitzenreuter said. "They don't come around and take it for me anymore." 

## Health continued from page 19

avoid paying for long-term care costs out-of-pocket, said Rep. Diane Loeffler (DFL-Mpls). She believes this practice would grow should rate equalization be eliminated.

"We're going to give more people who are uncomfortable with this whole discussion more justification in their own mind to feel like they're just playing the game like everyone else and they're not going to get ripped off by having to pay more than the person who is on, quote, 'welfare,'" she said.

Kari Thurlow, vice president of advocacy for Aging Services of Minnesota, says the aversion to paying for long-term care is a real problem. But she maintains that repealing rate equalization would be part of the solution and "the start to a conversation" about significant reform.


"We view it as a step toward changing the entire paradigm and the way we approach financing long-term care," she said. "Part of it is changing mindsets." 

## Agriculture continued from page 21

Therefore, farmers using RFA loan programs are required to attend a farm management education program that meets less than 10 times a year. Using computerized analysis a farmer can compare their data to others, thus showing the strengths and weaknesses in a farmer's cash flow, he said.

Scheffert said while the RFA has some expansion ideas, now isn't the time to ask the Legislature for adjustments in programs that might need funding. The RFA has sufficient funds to meet loan demand though 2011, he said.

The major loan programs offered through RFA's bond proceeds include: basic farm and seller assisted loans for entry level farmers to purchase land; agricultural improvement program for upgrading technology, such as grain elevators or manure systems; livestock expansion or equipment programs; and a restructuring program to help farmers reorganize their debt.

The authority also manages a revolving fund that supports the following loan programs: value-added agriculture product stock, disaster recovery, livestock equipment pilot and methane digester. 

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Revenue .....	651-296-3403
Transportation .....	651-296-3000
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## Monday, March 29

### HF3745-Jackson (DFL)

#### Finance

Mille Lacs County; nursing facility payment rates increased to the peer group one median rate.

### HF3746-Clark (DFL)

#### Environment Policy & Oversight

Enhanced occupational safety standards required for closed landfill cleanup.

### HF3747-Olin (DFL)

#### Taxes

Thief River Falls airport authority allowed to levy against referendum market value rather than net tax capacity.

### HF3748-Simon (DFL)

#### Finance

Chairs and ranking minority members of the Finance and Ways and Means committees authorized to request local impact notes.

## Tuesday, April 6

### HF3749-Brown (DFL)

#### Finance

Flat fee eliminated for uncertified copies of court documents, and court administrator authorized to charge actual costs for uncertified copies.

### HF3750-Hosch (DFL)

#### Finance

Avon; Public Facilities Authority loan forgiveness authority required.

### HF3751-Seifert (R)

#### Taxes

Social Security benefit subtraction allowed.

### HF3752-Kath (DFL)

#### Taxes

Owatonna; local sales and excise tax use expanded.

### HF3753-Downey (R)

#### Health Care & Human Services

#### Policy & Oversight

MinnesotaCare voucher demonstration project established.

### HF3754-Downey (R)

#### Health Care & Human Services

#### Policy & Oversight

Regional service centers created.

### HF3755-Koenen (DFL)

#### Taxes

Construction materials and equipment used in the construction and improvement of a wastewater treatment facility exemption provided.

### HF3756-Lenczewski (DFL)

#### Taxes

Construction rules provided, and technical and clarifying changes made to the estate tax.

### HF3757-Hilty (DFL)

#### Finance

Securities transaction exemptions modified, and money appropriated for the state grant program.

## Wednesday, April 7

### HF3758-Ruud (DFL)

#### Finance

Driver's license applicant allowed to donate \$2 for public information and education on anatomical gifts.

### HF3759-Hansen (DFL)

#### Finance

Air handling system improvement grants provided to improve air quality in indoor ice arenas.

### HF3760-Marquart (DFL)

#### Taxes

Homestead treatment modified for manufactured home park cooperatives.

### HF3761-Atkins (DFL)

#### Commerce & Labor

Cable communication equipment fees prohibited.

### HF3762-Abeler (R)

#### Taxes

Ramsey; tax increment financing district created and subjected to certain rules.

### HF3763-Dill (DFL)

#### Taxes

Application of homestead resort classification extended.

### HF3764-Hosch (DFL)

#### Taxes

Job Opportunity Building Zone amendments allowed to agreements under certain circumstances.

### HF3765-Marquart (DFL)

#### Taxes

Detroit Lakes; food, beverage and entertainment taxes authorized.

### HF3766-Brod (R)

#### Health Care & Human Services

#### Policy & Oversight

Human DNA vaccine and informed consent labeling required for administration of those vaccines.

### HF3767-Dill (DFL)

#### Taxes

Ely; sales and use tax authorized.

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Year the Minnesota Twins first played in Minnesota.....	1961
Team's all-time win-loss-tie record entering this season.....	3,828-3,808-8
Year of last tie game.....	1999
Division titles for the Twins from 2000-09.....	5
Years the Twins called Metropolitan Stadium home.....	1961-81
Years the Metrodome was their home.....	1982-2009
Cost, in millions, to build Target Field.....	\$545
Millions paid by Hennepin County, in part through 0.15 percent sales tax increase....	\$350
Millions paid by the team.....	\$195
Year the Legislature approved Target Field funding plan.....	2006
Estimated full-time equivalent jobs created during Target Field construction.....	3,500
Seats in Target Field.....	39,054
Seats in the Metrodome for baseball.....	55,300
Percent of Target Field, Metrodome seating in upper level.....	32.9, 58.7
Women's restrooms in Target Field, Metrodome.....	401, 256
Men's restrooms.....	266, 192
Display size, in square feet, of Target Field scoreboard.....	5,757
Square feet of Metrodome scoreboard.....	1,292
Distance, in feet, from home plate to the closest seat at Target Field.....	45
Distance from home plate to the pitcher's mound, in feet-inches.....	60-6
Miles team is scheduled to fly in 2010.....	28,773
Complete game shutouts all-time by Twins pitchers.....	272
Number by Bert Blyleven.....	29
Number by Jim Kaat.....	23
Times Minnesota has had a 20-game winner.....	15
Estimated distance, in feet, of longest home run hit by a Minnesota Twin (Harmon Killebrew – 1967).....	520
Rows into the upper deck the ball landed at Metropolitan Stadium.....	6
Career batting average for Rod Carew.....	.328
Career batting average Joe Mauer entering this season.....	.327
Career batting average for Kirby Puckett.....	.318
Career batting average for manager Ron Gardenhire.....	.232

— M. COOK

**Sources: Minnesota Twins 2010 Record and Information Book; [www.twinsbaseball.com](http://www.twinsbaseball.com).**

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A NONPARTISAN PUBLICATION

MINNESOTA HOUSE OF REPRESENTATIVES • PUBLIC INFORMATION SERVICES

VOLUME 27, NUMBER 10 • APRIL 16, 2010



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## SESSION WEEKLY

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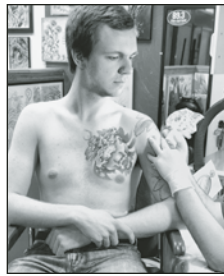
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Session Weekly (ISSN 1049-8176) is published weekly during the legislative session by Minnesota House of Representatives Public Information Services, 175 State Office Building, 100 Rev. Dr. Martin Luther King Jr. Blvd., St. Paul, MN 55155-1298. Periodicals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

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On the cover: Jamie Taylor, left, a technology specialist with the Commission of Deaf, Deaf Blind, and Hard of Hearing Minnesotans, is signed the National Anthem by Lisa Sindt during the Minnesota STAR Program's "Awards for Excellence in Assistive Technology" ceremony April 13 in the Capitol Rotunda. The event honors individuals and groups for championing the removal of barriers to independence through the use of assistive technology.

— Photo by: Andrew VonBank

# Coming up short

College students may get less help from the state this fall

By Nick Busse

**L**ast fall, the state promised to help thousands of low-income students pay for their college education. What the students didn't know was that the state had made too many promises.

State officials didn't know it either, but Minnesota's largest college financial aid program, the state grant program, was about to be overwhelmed. Spurred by the slumping economy, college enrollment soared to record levels in 2009. Enrollment jumped 9 percent in the Minnesota State Colleges and Universities system and 4 percent at the University of Minnesota.

As laid-off workers flocked to college classrooms — and as the recession bumped parents into lower income brackets — far more students qualified for aid than anyone expected.

"We discovered in about November that

we were overextended," said Office of Higher Education Communications Director Barb Schlaefter.

The office, which administers the state's financial aid programs, was faced with a choice: renege on the promises they had already made to students, or push the problem into the second year and hope for some new money.

Arguing it would be fairer to the students, they chose the latter option.

"Colleges had made commitments to students as early as the previous March, saying, 'You can come here and here's what your state grant will be,'" Schlaefter said.

"So the decision was made to keep all those promises."

As a result, the program is projected to spend nearly two-thirds of its \$144 million biennial appropriation in the first year, leaving an estimated \$43 million shortfall in the second year. Unless more money is found, students who received an average of \$1,700 last year will see a roughly \$300 cut when they return to class this fall.

For students, it's another in a long line of blows handed down from the state. MnSCU and the university say their state funding has either been flat or declining for most of the last decade. This year, for the first time, students at public colleges and universities will be paying for a larger share of their education than the state.

"Right now, students are really getting hit from all sides," said Paul Strain, president of the Minnesota Student Association at the University of Minnesota.

Strain said declining state support for the university has led to tuition hikes in recent years, which will only grow worse next year when the university's share of one-time federal stimulus funding runs out. Strain himself is among the many students feeling the impact.

"I'm definitely concerned about my debt

**First Reading continued on page 4**



Students at North Hennepin Community College line up outside the financial aid office.

PHOTO BY TOM OLMSCHEID

load. At least a good half of my education is financed through loans,” Strain said.

### In search of funding

For lawmakers, the troubles in the state grant program arrive at the worst possible time. A nearly \$1 billion state budget deficit left no extra cash to spare. As part of its overall budget fix, the Legislature slashed another \$47 million from the state’s higher education funding this year — that’s on top of last year’s \$63 million cut as well as Gov. Tim Pawlenty’s \$100 million unallotments.

Rep. Tom Rukavina (DFL-Virginia), who chairs the House division that funds higher education, fought successfully to protect the state grant program from any cuts. But he said it’s a moot point unless lawmakers do something about the \$43 million shortfall.

“We’re all ignoring this huge hole that’s sitting there,” Rukavina said. “Not to mention the fact that tuition is going up, not to mention the fact that the public institutions are being unallotted and cut.”

Legislators basically have two options to deal with the situation: they can find new revenues to boost the program’s funding, or they can tighten eligibility requirements to ease the burden on the program. In the House, plans are moving forward that would do both.

Rep. Bill Hilty (DFL-Finlayson) sponsors HF3757, which would raise \$23 million for the program by doubling a filing fee the state charges on mutual funds. On a \$10,000 mutual fund, Hilty said the fee might add a \$5 cost to investors — a modest price to pay, he argues, for contributing to something as important as higher education.

House Republicans oppose the plan, arguing it will hurt middle-class investors and make the state’s substantially large mutual fund industry less competitive. Rukavina, who co-sponsors the legislation, admits that it’s not his first choice for a funding source.

“I would rather have an honest approach to raising revenue based on income,” Rukavina said at an April 8 hearing, noting that he had proposed an income tax increase to

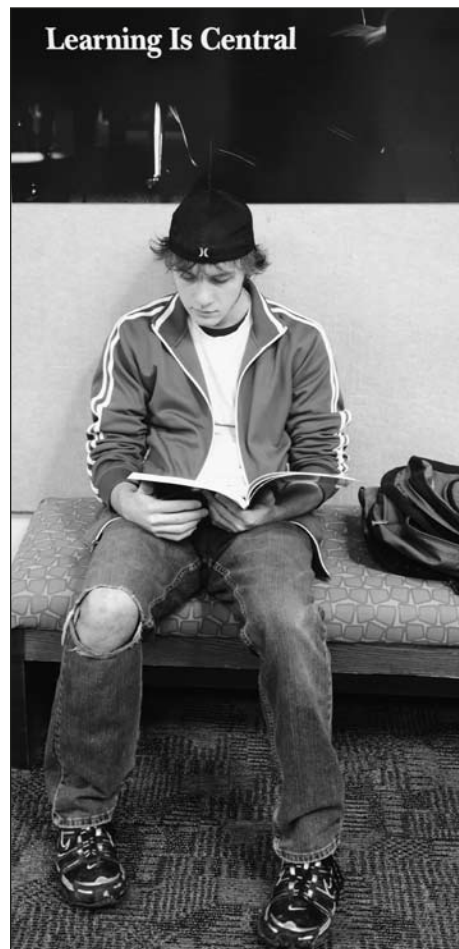


PHOTO BY TOM OLMSCHIED

**A student at Century College reads in the commons.**

funnel money to the program. That proposal, included in the original higher education finance bill, fell through under a gubernatorial veto threat. House DFLers hope Pawlenty will look more kindly on a fee increase than a tax increase.

Rep. Sarah Anderson (R-Plymouth) said that’s doubtful.

“I don’t know why we’re repeating history when we know what the end result is going to be,” Anderson said. She unsuccessfully offered her own funding proposal: an amendment to Hilty’s bill that would have authorized racino gambling and used some of the tax proceeds for state grant awards.

### Other options

Even if the increased fee on mutual funds survives the governor’s veto pen, an estimated \$20 million shortfall would still exist in the program. To bridge the remaining gap, lawmakers are looking to change whom the program serves and how much they can get — basically, changing eligibility to match up with funding.

Some of these changes were already made in the supplemental budget bill signed into law April 1 by Pawlenty (HF1671\*/SF3223/CH215). The law eliminated a ninth semester of state grant eligibility for students, which will free up about \$4 million. It also cut a second year of funding for the Achieve scholarship program, which had already used up all of its funding in the first year and would’ve had to borrow from state grant funds.

A more controversial proposal resides in HF3448, the omnibus higher education policy bill. Sponsored by Rukavina, the bill includes a provision to lower the cap on state grant awards for students at private, for-profit institutions.

Rukavina argues it’s fair to ask for-profit schools, which he said are profiting in part from the state grant program, to share the pain of public institutions. But some members, both DFL and Republican, argue that’s unfair to the students at the other schools.

“For some people, it’s going to be a double hit if we see state grant funds decreasing this year, and then see this policy change,” said Rep. Rob Eastlund (R-Isanti).

The change would not affect students at private nonprofit institutions like Hamline University or St. Olaf College.

Hilty’s bill awaits action by the House Finance Committee. A companion, SF3355, sponsored by Sen. David Tomassoni (DFL-Chisholm), awaits action by the Senate Higher Education Budget and Policy Division.

The omnibus higher education policy bill awaits action on the House floor. A companion, SF184, sponsored by Sen. Sandy Pappas (DFL-St. Paul), awaits action by the full Senate. 🗽

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**Editor's note:** The following Highlights are coverage of select bills heard in House committees and other House activities held April 8-15. Designations used in Highlight summaries: HF-House File; SF-Senate File; CH-Chapter; and \*- the bill version considered by the House or the bill language signed by the governor.

## BUDGET

### Cash flow update

Minnesota will not have to borrow money to pay its bills this spring, but cash flow shortfalls still loom for later this year, state budget officials told a legislative panel April 12.

Minnesota Management & Budget Deputy Commissioner Jim Schowalter said the state has averted a potential cash shortage in the General Fund by borrowing more than \$1 billion from other state accounts and by delaying \$416 million in payments — mostly to school districts.

Speaking to the Legislative Commission on Planning and Fiscal Policy's Balanced Budget Subcommittee, Schowalter said the state's cash balances "overall are healthier than we anticipated" earlier this year; however, the outlook changes dramatically in the next fiscal year, which begins July 1.

"Right now, (fiscal year 2011) has deep cash problems," Schowalter said.

Over the last year, underperforming tax revenues have drained the state's cash reserves. MMB officials have taken steps to prepare for possible short-term borrowing to cover the state's cash needs in the current biennium. Though they hope to avoid borrowing, Schowalter said it may be necessary — even if lawmakers balance the budget.

He said officials won't know for sure whether borrowing is necessary until they see the Legislature's total solution to a projected \$994 million budget gap for this biennium. A supplemental budget law, signed April 1 by Gov. Tim Pawlenty, solves

approximately \$312 million of that deficit.

MMB plans to continue using administrative actions to shore up the state's cash accounts. Schowalter said the state will use about \$500 million in total payment delays this spring, including \$422 million to school districts, \$52 million to the University of Minnesota and \$26 million in corporate and sales tax refund delays.

The delayed payments are scheduled to be repaid in June, when income tax receipts replenish the General Fund. Even so, the General Fund is at risk of being completely drained again by September, under MMB's current projections. Schowalter said the speed of the economic recovery and the timing of any budget cuts will both play a role in determining whether the state needs to use short-term borrowing in the next fiscal year.

— N. BUSSE

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Web page at: [www.leg.mn](http://www.leg.mn)

## BIRTHDAY STORY



PHOTO BY TOM OLMSCHIED

Former Gov. Wendell Anderson, *center*, tells a light-hearted story about a dinner he and former House Speaker Martin Olav Sabo, *left*, had at the Lexington Restaurant in 1975 while the governor and the Legislature were negotiating details of a property tax credit. His comments came April 14 during a 35th birthday party for the property tax refund program. Former Senate President Alec Olson, *right*, and former House Taxes Committee Chairman Bill Kelly, who were influential in passing the refund program, also attended the birthday party that took place with the House Property and Local Sales Tax Division.

## CONSUMERS

### No Sunday liquor sales

The House passed an omnibus liquor bill April 8, but rejected a measure that would have allowed liquor stores to open on Sundays.

Sponsored by Rep. Joe Atkins (DFL-Inver Grove Heights) and Sen. Linda Scheid (DFL-Brooklyn Park), HF3186/SF2808\* authorizes liquor sales at several venues and contains other mostly noncontroversial provisions. The House voted 114-13 to pass the bill, but overwhelmingly rejected an amendment that would have permitted Sunday liquor sales.

Rep. Phyllis Kahn (DFL-Mpls) offered the amendment, arguing that it would “move Minnesota into the current century and away from the blue laws of Prohibition.”

In the ensuing hour-long debate, supporters from both parties argued the amendment would benefit consumers, reaffirm free market principles and possibly even generate new tax revenue.

“This is about allowing Minnesota to recapture some of the commerce that we’re losing to other states,” said Rep. Steve Drazkowski (R-Mazeppa), noting that 36 other states allow Sunday liquor sales, including Wisconsin.

Opponents countered that it would be a burden on municipal liquor stores and small-business owners, many of whom would be forced to be open longer hours and take on more payroll costs to stay competitive.

“With our small businesses struggling in this state, I don’t think costing them more money is a good idea,” said Rep. Dean Urdahl (R-Grove City).

The amendment was defeated 110-20.

The bill would allow liquor licenses to be issued for several locations, including: the Museum of Russian Art in Minneapolis; the University of St. Thomas’ Minneapolis campus; the Bemidji Regional Event Center; and Bemidji State University.

The bill would also allow the Minnesota State Fair to issue licenses to concessionaires to sell beer. Previously, Ramsey County issued the licenses. Additionally, the bill specifies that the fair can issue licenses for vendors to sell wine by the glass at the fair as long as it is produced in Minnesota.

The Senate passed the bill 56-5 on April 13, and it now awaits action by the governor.

— N. BUSSE

## Ensuring consumer choice

**Signed  
by  
the  
governor**

Renters will be guaranteed the right to purchase cable or telephone services from a provider of their own choosing, under a new law signed April 15 by Gov. Tim Pawlenty.

Sponsored by Rep. Al Juhnke (DFL-Willmar) and Sen. Kathy Sheran (DFL-Mankato), the law prevents landlords from forbidding or discriminating against tenants for choosing one telecommunications provider over another.

Effective April 16, 2010, the law prevents landlords from striking deals with telecommunications companies to give renters who purchase their cable or phone service exclusive rates, or from charging higher rent for tenants that opt for a different provider. A similar protection for renters existed in state law prior to 2004.

A separate provision in the law, effective Aug. 1, 2010, will make it easier for telephone companies to offer “triple-play” services — voice, video and Internet — by letting local governments grant cable franchises to companies that already provide phone services within a given area.

In essence, the law will allow cities to let existing telecommunications providers offer more services to their customers. Rep. Mike Beard (R-Shakopee), who sponsored the provision as a standalone bill, said state law was previously unclear on whether local franchise authorities could allow telephone companies to provide cable services to customers within their existing service area without running into certain legal roadblocks.

A provision effective April 16, 2010, makes it easier for telecommunications providers to disconnect resellers who are delinquent on their bills.

HF3097/SF2616\*/CH247

— N. BUSSE

## EMPLOYMENT

### Firefighter definition amended

**Signed  
by  
the  
governor**

For the purposes of the firefighter certification statute, the definition of a full-time firefighter has been modified.

Sponsored by Rep. Joe Atkins (DFL-Inver Grove Heights) and Sen. Ann Rest (DFL-New Hope), a new law clarifies that a full-time firefighter is charged with the prevention and suppression of fires. Previous law used “or” instead of “and.” A full-time firefighter is defined in law as someone “directly engaged in the hazards of firefighting or is in charge of a designated fire company

or companies that are directly engaged in the hazards of firefighting.”

A 2009 law required that full-time firefighters be licensed, but a technical change is needed to properly define a firefighter. Atkins said the law tries to clarify that fire personnel, such as those solely engaged in fire prevention, do not have to go through all the training required to obtain firefighter certification.

Signed April 10 by Gov. Tim Pawlenty, the law is effective April 11, 2010.

HF2701/SF2267\*/CH229

— M. COOK

## ENERGY

### Biodiesel mandate exemption

**Signed  
by  
the  
governor**

An exemption during the winter months on the state’s biodiesel content requirement will be extended to March 31, 2012.

That’s one of a handful of changes brought by a new law dealing with weights and measures. Rep. Greg Davids (R-Preston) and Sen. Debbie Johnson (R-Ham Lake) are the sponsors.

State law requires that diesel fuel contain a certain percentage of biodiesel. The law gives the Department of Commerce flexibility to lift that mandate between October and March. Davids said extremely low temperatures during those months sometimes cause biodiesel blends to “gel up.”

Among other various changes included in the law, tanks used to store gasoline and ethanol can now be marked with plastic tags instead of metal ones.

Signed April 10 by Gov. Tim Pawlenty, the law takes effect Aug. 1, 2010.

HF3363/SF2840\*/CH228

— N. BUSSE

### Solar rebate program proposed

Those interested in installing solar panels may be eligible for a new rebate if a bill continues to move forward.

Sponsored by Rep. Tom Rukavina (DFL-Virginia), HF3033 was approved by the House Energy Finance and Policy Division March 14.

A \$21 million appropriation from the Renewable Development Fund would pay for the rebate program. Xcel Energy pays into the fund annually and the money is redistributed in the form of renewable energy research and development grants. As the sole utility feeding the fund, Xcel Energy is required to pay based on the amount of nuclear waste it stores at its two power plants.

Division members debated whether the

If you will be visiting the Capitol in the near future, call the Capitol Historic Site Program at 651-296-2881 to schedule a tour.



## SOCIAL GATHERING



PHOTO BY ANDREW VONBANK

**As part of April 12 Social Work Day at the Capitol, hundreds of professional social workers, educators and social work students gather in the Capitol Rotunda to rally for continued support of social programs.**

rebates should be available statewide or only to Xcel Energy customers, since they are the ratepayers whose payments go into the fund. Rukavina is amenable either way, but, for now, the bill only applies to Xcel Energy territory. It also requires that the solar panels be manufactured in Minnesota.

Annual increments of \$2 million to \$5 million would be transferred into a special account in the Department of Commerce over the next five years. People or businesses who apply and qualify for the rebates would be paid from that account. Currently, the fund is disbursed through a competitive grant process, and Deputy Commerce Commissioner Bill Glahn said the rebate program would take the place of some of those grants. "By opening this door, we're closing some others," Glahn said.

As proposed, money in the account would be available until expended, some division members preferred to have any remaining funds returned to the RDF in 2015 at the conclusion of the program. An amendment is expected at the bill's next stop, the House Finance Committee.

A companion, SF2676, sponsored by Sen. David Tomassoni (DFL-Chisholm) was held over March 23 by the Senate Environment,

Energy and Natural Resources Budget Division for possible omnibus bill inclusion.

— S. HEGARTY

## ENVIRONMENT

### Safe disposal of leftover drugs

**Signed  
by  
the  
governor**

The list of people allowed to handle prescription drugs for safe disposal will expand.

Sponsored by Rep. Paul Gardner (DFL-Shoreview) and Sen. John Doll (DFL-Burnsville), the new law was proposed as the "Minnesota Safe Drug Disposal Act," and included plans to collect discarded drugs from medical facilities, where state law required them to be flushed down the toilet. The product stewardship plan was removed in committee because it was considered an unfunded mandate on nursing homes. Instead, the law simply allows for the handling of drugs by employees in certain professions.

Signed April 10 by Gov. Tim Pawlenty, and effective April 11, 2010, the law defines who may legally possess leftover drugs, including their collection, storage, transport and destruction. The law includes prescription and non-prescription drugs categorized as legend

drugs. A provision for "reverse distribution" would enable drugs to be returned to their producers or distributors.

HF1217\*/SF1568/CH223

— S. HEGARTY

### Environment finance omnibus bill

The House Finance Committee approved the omnibus environment finance bill April 14 after adding bills regarding boat drain plugs, incinerator permits and fees paid by utilities.

Sponsored by Rep. Jean Wagenius (DFL-Mpls), HF3702 includes provisions in the Department of Natural Resources policy (HF3094) and forestry (HF2954) bills. For example, the price of ski trail passes would increase; more veterans would qualify for free day passes to state parks and the Blue Earth River would be added to the list of state water trails. Indian tribal governments would be exempted from registering or licensing watercraft, off-highway vehicles and snowmobiles. Subsurface sewage treatment system rules would be delayed to allow local governments to draft ordinances. In addition, ground and surface water monitoring equipment would be installed to measure and evaluate water quality, levels and where it flows.



Rep. Kate Knuth (DFL-New Brighton) successfully offered two amendments. One would place a moratorium on permits for hazardous waste incineration facilities until March 1, 2011. The moratorium is directed toward a Cottage Grove incineration facility. The other would adjust fees that utilities pay to cross over natural resources land. The fees were changed last year. Knuth called the \$4,500 supplemental application fee for a land crossing too high, and proposes lowering it to \$2,000. However, the supplemental application fee for a water crossing would increase from \$1,500 to \$2,000. The fees are intended to cover the cost of reviewing the applications and preparing the licenses.

Rep. Al Juhnke (DFL-Willmar) successfully amended the bill to require boaters to drain bait containers and other boating-related equipment that hold water before transporting watercraft on land. Marine toilets are excluded. The purpose is to prevent the spread of zebra mussels, an invasive species.

A section of the bill that would require horse passes for people riding on state

land was considered to have unintended consequences by Rep. Tom Rukavina (DFL-Virginia). Wagenius agreed to work on drafting additional or alternative language before the bill is heard at its next stop, the House Ways and Means Committee.

A companion, SF3275, sponsored by Sen. Ellen Anderson (DFL-St. Paul), awaits action by the full Senate.

— S. HEGARTY

## HEALTH

### Health reform costs unclear

House Democrats are optimistic about a federal option to enroll more low-income Minnesotans in Medicaid, an idea that may not sit well with the governor.

Minnesota is one of 11 states that may expand participation in Medicaid to certain childless adults beginning this year, a provision that is included in the federal health care reform law. This so-called “early option” is available to certain states prior to 2014, when

Medicaid will cover adults with incomes up to 133 percent of federal poverty guidelines.

In response, Rep. Thomas Huntley (DFL-Duluth) sponsors HF3713, which would allow Minnesota to participate in the early option. Because the expanded version of Medicaid would apply to people enrolled in General Assistance Medical Care, Huntley’s bill would repeal the revised GAMC program signed into law by Gov. Tim Pawlenty less than a month ago.

At a press conference April 14, Huntley said his bill would result in health care providers being paid 20 percent more than they were under the original GAMC program. Also, the legislation would not add to the projected deficit in the Health Care Access Fund, which helps low-income workers purchase health insurance.

“The Medicaid expansion is a much more fruitful opportunity for the state,” said Rep. Erin Murphy (DFL-St. Paul). She and others working on the GAMC issue earlier in the session did so not knowing the outcome of the federal legislation.

## BUSY SESSION



PHOTO BY KRISTIN SCHUE

Mara Peppin, 10, and Helena Peppin, 8, stay occupied in the House Chamber while their mother, Rep. Joyce Peppin, is busy during the session.

Participation in the early option would also come with a cost. Minnesota would need to match the \$1 billion in federal funds it would receive over the next three years. Pawlenty spokesperson Brian McClung said a preliminary fiscal note released by the Department of Human Services this week does not account for the full cost to the state.

"There's a significant math problem with this proposal," he said, adding the fiscal note still needs to be vetted by Minnesota Management & Budget.

McClung urged legislators to allow the revised GAMC program to play out; the major provisions in that law will not begin until June 1. Democrats countered that GAMC is flawed to the point where hospitals in Greater Minnesota probably won't participate.

The House Health Care and Human Services Finance Division was scheduled to discuss the bill's fiscal implications April 15.

— L. RADOMSKI

## HIGHER EDUCATION

### Student mental health emergencies

**Signed  
by  
the  
governor**

Colleges and universities will be able to notify parents in cases where a student has a mental health emergency.

State law allows higher education institutions to disclose what would otherwise be private data when a student has a "safety emergency" that warrants contacting their parents. Effective Aug. 1, 2010, a new law will clarify that mental health emergencies, such as suicide attempts or psychotic episodes, qualify under the law. Gov. Tim Pawlenty signed it April 10.

Rep. Andy Welti (DFL-Plainview), who sponsors the law with Sen. Sharon Erickson Ropes (DFL-Winona), said the National Alliance on Mental Illness brought the proposal forward. He said if a student is injured in a car accident or receives a physical injury, colleges and universities can notify parents; however, some parents are concerned that mental health emergencies do not meet the current threshold.

The law does not involve disclosure of medical records — only the right to disclose that an emergency has taken place.

HF2766/SF2425\*/CH230

— N. BUSSE

### Higher education policy changes

A lower cap on state grant awards to students at private, for-profit colleges is among the provisions of an omnibus higher education policy bill on its way to the House floor.

Sponsored by Rep. Tom Rukavina (DFL-

Virginia), HF3448 was approved April 14 by the House Finance Committee. A companion, SF184, sponsored by Sen. Sandy Pappas (DFL-St. Paul), awaits action by the full Senate.

The bill would lower tuition and fee maximums used to calculate the amount students are eligible to receive from the state grant program when attending private, for-profit colleges. The provision is designed to help address a projected \$43 million state financial aid shortfall in the current biennium.

Rukavina said the provision is "an attempt to add some fairness" to potential reductions in students' grant awards; however, some members questioned whether it was fair to single out students at particular schools.

"I hope you don't hold the students responsible who are just trying to pay for the college they chose," said Rep. Joyce Peppin (R-Rogers).

The bill would also direct the Minnesota State Colleges and Universities system to implement a pilot project where it would deposit some of its cash reserves in local banks as a way to encourage lending to small businesses. A report back the Legislature would be required.

Other selected provisions include:

- reinstating \$1 million in funding for a new high-school-to-college developmental transition program, also known as the "summer bridge" program;
- requiring MnSCU to implement a plan to improve its system of transferring credits between schools;
- increasing the amount of revenue bonds MnSCU can issue for capital projects; and
- directing MnSCU to streamline its central office and reduce expenditures.

Rep. Karen Clark (DFL-Mpls) successfully amended the bill to include a provision requiring the University of Minnesota to report to the Legislature on ethical issues involved in nanotechnology research.

An amendment successfully offered by Rep. Thomas Huntley (DFL-Duluth) would require MnSCU to develop a surgical technologist training pilot project in conjunction with a local hospital. Huntley said the employment of technologists has been shown to reduce the rate of surgical errors.

— N. BUSSE

## HOUSING

### Foreclosure sale postponement

**Signed  
by  
the  
governor**

A 2010 law tries to make a law from last year more inclusive.

The 2009 law gives a mortgagor or property owner permission to postpone a foreclosure sale

by five months, thereby giving an owner extra time to pay up the arrearages after the time a normal sheriff's sale would have been.

However, Rep. Joe Mullery (DFL-Mpls), who sponsors the law with Sen. Ken Kelash (DFL-Mpls), said certain mortgages had a little different redemption period, for example, if they were already paid down one-third of the principal or if they were on farmland over 40 acres. The law should put all mortgages on the same time frame.

Mullery said lenders like this because they don't get properties back; owners are happy because it gives them more time to get caught up on payments and not lose their home.

Signed April 15 by Gov. Tim Pawlenty, the law takes effect May 15, 2010, and applies to foreclosure sales scheduled to occur on or after that date.

HF2708/SF2559\*/CH237

— M. COOK

## HUMAN SERVICES

### Child support regulation changes

**Signed  
by  
the  
governor**

Recommendations from the Department of Human Services and county child support agencies related to child support collections and enforcement are now law.

Rep. Jeff Hayden (DFL-Mpls) and Sen. Don Betzold (DFL-Fridley) sponsor the law, most of which takes effect Jan. 1, 2011. Gov. Tim Pawlenty signed the law April 15.

Information the public authority for child support can request from employers, utility companies, insurance companies, labor organizations and financial institutions in order to locate child support participants is expanded to include addresses, home and work telephone numbers, mobile telephone numbers and e-mail addresses. Currently, only a place of residence, employment status, wage and benefit information and a Social Security number have to be provided. The definition of utility companies is expanded to include mobile phone companies, satellite television companies and Internet service providers.

The child support public authority will be permitted to administratively reassign basic support, medical support and child care support under certain conditions:

- if the child resides with the relative caregiver who has applied for public assistance on behalf of the child;
- the child has been placed with a new caregiver by a voluntary placement agreement between the custodial parent and the caregiver that was approved and is being



monitored by county social service agencies; or

- the child has been placed in a new caregiver by the court and the child support issue was not addressed.

State law governing enforceability of judgments is changed to provide that child support judgments are enforceable 20 years after the entry of the judgment. This section applies retroactively to child support judgments that have not expired.

HF3299/SF2562\*/CH238

— M. Cook

## LAW

### Civil immunity provided for helping

**Signed  
by  
the  
governor**

The so-called “Good Samaritan” protection already in law is expanding.

Immunity from civil damages or administrative sanctions is provided for persons who help with a gubernatorial declared emergency or disaster, provided their actions are done in a good-faith manner.

Sponsored by Rep. Kim Norton (DFL-Rochester) and Senate Minority Leader David Senjem (R-Rochester), the law will allow businesses, nonprofits and other entities to participate in that help and recovery during a disaster, also with the benefit of immunity.

The law also clarifies the definition of volunteer to a person helping “without compensation or the expectation of compensation.”

It is effective April 11, 2010, one day after it was signed by Gov. Tim Pawlenty.

HF2709\*/SF2555/CH224

— M. Cook

### Recording declarations

**Signed  
by  
the  
governor**

A new law adds a supplemental declaration to parts of law that affect common interest community certificates and the formal recording of common interest community properties

with the registrar of titles.

A supplemental declaration is required when a common interest community, such as a condominium owners’ association, seeks to bring more land within the community’s jurisdiction.

Current statute does not specifically permit supplemental condominium and planned community declarations to be recorded on common interest community certificates of title. The law permits the supplemental recording on a certificate of title.

Sponsored by Rep. Gail Kulick Jackson

(DFL-Milaca) and Sen. Linda Scheid (DFL-Brooklyn Park), the law is effective Aug. 1, 2010, except for the replacement of erroneous cross-references in a 2009 law with substantive definitions of certain terms related to filing a contract for deed. That section is effective April 16, 2010, the day after Gov. Tim Pawlenty signed the law.

HF2823\*/SF2232/CH233

— M. Cook

### Readable electronic documents

**Signed  
by  
the  
governor**

It is hard for a public defender to do his or her job when they cannot access necessary documents.

While not a problem in most areas of the state, a new law gets at the few trouble spots.

Upon request from a district or state public defender, or an attorney working for a public defense corporation, the court, prosecutors and law enforcement must provide copies of any documents in their possession at no charge, including police reports, photos, grand jury transcripts, audiotapes and videotapes. Effective Aug. 1, 2010, “audio or video files on CD Rom or DVD Rom disc” will be added to the list. The law, signed April 15 by Gov. Tim Pawlenty, also specifies that the provider, upon request, shall include the software needed to open, view or play the electronic file.

Rep. Debra Hilstrom (DFL-Brooklyn Center), who sponsors the law with Sen. Mee Moua (DFL-St. Paul), said the Public Defense Board brought forth the legislation because they have had some issues in getting files in formats they can open.

HF2991/SF2517\*/CH239

— M. Cook

### Transcribing DWI arrest not needed

**Signed  
by  
the  
governor**

Action seen or heard on a tape should be able to speak for itself. But that is not always the case in some Minnesota courts.

Sponsored by Rep. Steve Simon (DFL-St. Louis Park) and Sen. Leo Foley (DFL-Coon Rapids), a new law will clarify that a pretrial filing of a written transcript from an audio or videotape in a law enforcement vehicle is not a prerequisite for admission of that recording evidence in a DWI criminal trial or license revocation hearing. Simon said some courts have been reading into the law a requirement that is not there.

The law, signed April 15 by Gov. Tim Pawlenty, takes effect July 1, 2010.

All state patrol vehicles and many police vehicles have dashboard cameras. Simon said there are about 40,000 DWI arrests annually,

and only about 500 of those go to trial; thereby potentially forcing agencies to make the time and cover the expense of producing an unneeded transcript in most cases. Other potential problems include transcriber error and inaudible statements by the accuser making it tough to certify the transcript. He also said the tape is the evidence, not the transcript.

HF212\*/SF333/CH231

— M. Cook

## LOCAL GOVERNMENT

### More securities lending options

**Signed  
by  
the  
governor**

Mergers and acquisitions in the financial industry in recent years have left cities and municipalities with only one securities lender option — U.S.

Bank — because of a state law requiring them to do business with a Minnesota-based lender.

A new law, signed April 15 by Gov. Tim Pawlenty, will expand the options to financial institutions that have an office located in the state. It takes effect Aug. 1, 2010.

Sponsored by Rep. Steve Simon (DFL-St. Louis Park) and Sen. Linda Scheid (DFL-Brooklyn Park), the updated law will save cities money and provide more options for investment decisions, according to Tom Grundhoefer, general counsel with the League of Minnesota Cities.

With the law, cities may do business with qualifying financial institutions that can both broker investments and hold them for safekeeping, instead of having to buy from one broker and incur new fees to transfer investments to a different institution for safekeeping.

The law also adds registration and insurance requirements.

HF3065\*/SF2590/CH234

— K. BERGGREN

## SAFETY

### Domestic abuse bill gets House OK

A bill passed by the House contains a number of provisions that its supporters wish were not necessary.

Sponsored by Rep. Debra Hilstrom (DFL-Brooklyn Center) and Sen. Mee Moua (DFL-St. Paul), HF2608/SF2437\* is an omnibus domestic abuse bill.

The House language was amended onto the Senate bill by the House Finance Committee April 8, and was passed 132-0 by the House April 13. It now returns to the Senate for



concurrence, although Hilstrom said on the House floor a conference committee is expected. The original version received Senate approval 67-0 March 29.

Among the bills included in the omnibus bill are:

- HF2608, sponsored by Hilstrom, which expands the area for protection for a reasonable distance around a residence or dwelling of a person seeking an ex parte order for protection;
  - HF3090, sponsored by Hilstrom, which clarifies the crime of stalking by explicitly labeling the applicable statute “stalking,” refining the stalking definition and expanding the list of conduct that constitutes stalking;
  - HF2864, sponsored by Rep. Paul Gardner (DFL-Shoreview), which would permit a judicial district to conduct a pilot project to allow courts in the district to order, as a condition of release in domestic abuse cases, electronic monitoring of an offender to protect a victim’s safety;
  - HF3361, sponsored by Rep. Mary Liz Holberg (R-Lakeville), which exempts certain domestic abuse or sexual attack programs from data practice requirements;
  - HF3383, also sponsored by Holberg, which establishes data classification of private for vehicle information for OFP’s and no-contact orders;
  - HF1396, sponsored by Rep. Michael Paymar (DFL-St. Paul), which allows animals and companion animals to be included in protective orders; and
  - HF3089, sponsored by Paymar, which increases the maximum bail for non-felony domestic abuse offenses, expands the tampering with a witness crime and clarifies the requirement that the criminal justice data communications network includes OFP’s and no-contact orders.
- Hilstrom said the bill has no cost.

— M. COOK

### Who can draw blood for DWI

**Signed  
by  
the  
governor**

In an effort to expedite the process for police and the courts, a new law will allow medical personnel trained in a licensed hospital or educational institution to withdraw blood to determine the presence of alcohol, controlled substances or hazardous substances.

The current DWI statute limits who can draw blood for implied consent to a physician, medical technician, emergency medical technician-paramedic, registered nurse, medical technologist, medical laboratory technician, phlebotomist or laboratory assistant.

Law supporters want it made clear that anybody who is qualified to take blood for

DWI samples can do so. It eliminates cases where a person arrested for DWI is taken to a hospital, but there is not a person on duty who fits one of the titles in the DWI statute. In such cases, either law enforcement has to wait for a qualified technician to arrive, or if somebody medically draws blood and the sample is challenged, the test is thrown out and the DWI case is dismissed. The new law should save money for law enforcement and the courts by eliminating hearings based on technicalities.

Sponsored by Rep. Kory Kath (DFL-Owatonna) and Sen. Kevin Dahle (DFL-Northfield), the law was signed April 10 by Gov. Tim Pawlenty. The law takes effect July 1, 2010.

HF2881\*/SF2817/CH225

— M. COOK

### Presentence investigation optional

**Signed  
by  
the  
governor**

An unfunded mandate to the courts will be eliminated.

Effective Aug. 1, 2010, a presentence investigation concerning felony violations of a controlled substance crime will be permitted to include a description of any adverse social or economic effects the offense has had on persons living in the neighborhood where the offense took place. This investigation is required under current law.

Rep. Sheldon Johnson (DFL-St. Paul), who sponsors the law with Sen. Ann Lynch (DFL-Rochester), said the change would give probation officers more discretion in situations where an investigation might not be warranted based on different factors, including caseload management or specifically defining a neighborhood.

The law was signed April 15 by Gov. Tim Pawlenty.

HF1457/SF987\*/CH236

— M. COOK

## STATE GOVERNMENT

### Faster state complaint process

When a citizen files a data practices complaint against a state agency, it often takes months or years to resolve.

A bill to speed up the process was passed 130-0 April 8 by the House.

Sponsored by Rep. Gene Pelowski Jr. (DFL-Winona), HF2899 would establish a new process through the Office of Administrative Hearings when filing a complaint under the Minnesota Government Data Practices Act.

Current law requires a district court to deal with complaints, which proponents of the bill

argue is more time consuming and costly.

Under the bill, a person would file a complaint with the office, along with a \$1,000 filing fee, within two years of the act or failure to act that is the subject of the complaint. If the government entity concealed information and the act wasn’t known about within the two-year period, the complaint must be filed within one year after the concealment is discovered.

If needed, a hearing would occur within 30 business days of the involved parties being notified. A complainant that “substantially” prevails would receive attorney fees up to \$5,000 and refunded the filing fee minus \$50.

Rep. Mark Buesgens (R-Jordan) unsuccessfully offered an amendment to give a prevailing complainant 100 percent of the filing fee. “We’re gonna charge somebody \$50 for proving that they were right. I think it’s egregious, it will turn off people from pursuing this remedy.”

Sandra Neren, a lobbyist for the Minnesota Newspaper Association, told a House committee that legislators approached the association for ideas on a better enforcement mechanism for data practices violations. The bill offers a similar approach to how the OAH handles campaign finance complaints with a “very fast, speedy and cheaper resolution,” she said.

The bill awaits action by the Senate Finance Committee. Sen. Don Betzold (DFL-Fridley) is the Senate sponsor.

— P. OSTBERG

## TAXES

### Taxing water used to fight fires

A city pays no sales tax on the purchase of a new fire truck used to fight a fire, but the same can’t be said for the water it uses to extinguish the flames.

The City of Freeport was unaware of the sales tax charge on water used for public safety purposes, and was recently hit with an \$8,217 bill for three year’s worth of back sales taxes on water it used for firefighting, hydrant flushing and cleaning of water towers.

Rep. Paul Anderson (R-Starbuck) told the House Taxes Committee April 12 there is some ambiguity in the law, with some cities unaware of the tax. He said Freeport learned about it because it recently underwent a sales tax audit by the Revenue Department. Under current law, residential use of water is not taxed.

“Out of common sense, the city shouldn’t pay sales tax for the water it uses (for public safety purposes),” he said. His bill, HF2905, would expand the sales tax exemption for certain goods and services to local governments to include water used for public

safety purposes. It would be retroactive to June 30, 2007; however, no refunds would be made for taxes paid before Jan. 30, 2010.

His "little bill," as Anderson called it, carries some tax policy questions, and it was laid over for possible inclusion in a committee omnibus bill.

Rep. Ann Lenczewski (DFL-Bloomington), the committee chairwoman, said some legislators question why local governments should be charged sales tax at all. Additionally, some think that all water use should be taxed as a conservation measure. The current water and sewer sales tax exemption carries a \$116 million price tag, Lenczewski said. "There is a policy question: Don't tax any water, or tax all water. ... There is cost to all of this."

A companion, SF3292, sponsored by Sen. Joe Gimse (R-Willmar), awaits action by the Senate Taxes Committee.

— L. SCHUTZ

Kahn said bicycles were included in a 2003 House bill allowing this provision for motorcyclists, but a conference committee removed the bicycle language.

The problem, Kahn said, is that bicycles, like motorcycles, are not heavy enough to trigger the signal sensor to turn the light from red to green.

Without the change, the possibility exists of bicyclists clogging intersections and inconveniencing other drivers behind them.

Dorian Grilley, executive director of the Bicycle Alliance of Minnesota, told a House committee that many times while in a left-turn lane, he has moved his bicycle into a crosswalk so a vehicle behind him could come up closer and trip the signal sensor so they could both turn on a green arrow. However, he said because of "Minnesota Nice" motorists don't always pull closer.

HF2616\*/SF2453/CH232

— M. COOK

The bill would decrease the amount of money going into the trunk highway fund by \$400,000 to boost the Minnesota grade rail crossing safety account from \$600,000 to \$1 million.

"It's taking undedicated funds and putting them in a pot that already exists. It is a way to do it without shorting any other projects," Hortman said. "It's a revenue-neutral way to get funding for rural railroad crossings."

There is an approximate \$10 million need to improve at-grade railroad crossings around the state, she said, but only \$2.5 million was allocated in the 2010 capital investment law for that purpose.

The bill was approved by the division, and the House Ways and Means Committee April 12. It awaits action by the full House.

Holberg doesn't dispute the bill's intent, but is concerned with the "the cumulative effect" of the number of bills proposing to transfer money from the fund which is dedicated for road construction.

"There's leakage from the fund going to other areas besides roads," she said. "We all know there is no General Fund money, so these dedicated funds become very attractive for additional spending in various areas."

A companion, SF2548, sponsored by Sen. Steve Murphy (DFL-Red Wing), awaits action by the Senate Finance Committee.

— L. SCHUTZ

## TRANSPORTATION

### Land exchange passes House, Senate

**Signed  
by  
the  
governor**

Effective April 11, 2010, the Department of Transportation is able to exchange land with the Upper Sioux Community tribal government for the rerouting of State Highway 274 near Granite Falls.

A new law adds American Indian tribal governments to a state law that allows for land exchanges. The road is being moved for safety reasons.

Rep. Lyle Koenen (DFL-Clara City) and Sen. Gary Kubly (DFL-Granite Falls) sponsor the law that was signed by Gov. Tim Pawlenty April 10.

HF2956\*/SF2563/CH226

— S. HEGARTY

### Bicyclists can turn on red

**Signed  
by  
the  
governor**

Sponsored by Rep. Phyllis Kahn (DFL-Mpls) and Sen. Jim Carlson (DFL-Eagan), a new law will allow a bicyclist to enter or cross an intersection against a red light under certain conditions, including if the light shows red for an unreasonable amount of time, the bicyclist is unable to trigger the signal to change to green and no other vehicle or person is approaching that could pose a hazard.

Signed April 15, by Gov. Tim Pawlenty, it takes effect April 16, 2010.

### Funds from roads to rails

With the state budget in deficit, there is concern that funds dedicated for specific purposes may see revenue shifted to other areas.

Rep. Mary Liz Holberg (R-Lakeville) raised the issue March 18 during a House Transportation Finance and Policy Division hearing on HF2848, sponsored by Rep. Melissa Hortman (DFL-Brooklyn Park).

## RACE TO THE TOP



PHOTO BY TOM OLMSCHIED

Following an April 13 meeting with the governor, House Majority Leader Tony Sertich and Senate Majority Leader Larry Pogemiller listen to House Speaker Margaret Anderson Keliher announce that the House and Senate education committees would hold a joint hearing next week on "Race to the Top" legislation.

# Inking a deal for donors

State oversight of body arts could reduce donor deferrals

BY LAUREN RADOMSKI

**C**all it another example of Minnesota nice: the Land of 10,000 Lakes is also home to tens of thousands of blood donors.

Nearly 120,000 Minnesotans gave blood last year through the American Red Cross, which runs one of two blood banks serving the state. Among Minnesota donors, about 7 percent give at least once every two years, up from the national average of 5 percent. And when supplies run short in other parts of the country, Midwestern blood often comes to the rescue.

But while Minnesota's blood supply may be meeting today's need, blood banks are avidly working to attract and retain new donors to ensure future reserves are just as strong. They've got several factors working against them, including an aging population and more restrictions on donor eligibility.

Recent collaboration among state lawmakers, blood banks and tattoo artists could help widen the donor pool. Sponsored by Rep. Julie Bunn (DFL-Lake Elmo), HF677 would create state regulations for body art — specifically, tattooing and piercing services. This state oversight was requested by local blood banks, which must otherwise temporarily defer potential donors with recent tattoos or piercings. The bill is supported by some body artists who would like to ensure safe practices across their industry.

## Donor dilemma

Minnesota tattoo and piercing establishments are currently regulated under

a fragmented system of county and municipal policies. The only statewide requirement is that a technician obtain written parental consent before providing tattoo or piercing services to a minor.

This lack of regulation ultimately works against blood banks, which follow donation standards set by the AABB, formerly the American Association of Blood Banks. Under these standards, anyone who undergoes "non-sterile skin penetration" must wait 12 months before he or she can donate blood. Someone whose body art was serviced by "a state-regulated entity with sterile needles and ink that has not been reused" is not subject to the 12-month deferral period.

Because none of Minnesota's body art establishments are state-regulated, thousands of potential donors are deferred each year due to recent tattoos or piercings. Experts say those deferrals can be detrimental in the long run.

"Once a donor is deferred, even temporarily, they are much less likely to return," said Dr. Jed Gorlin, medical director for Memorial Blood Centers. "This has particular impact when the donor is young."

Young donors, it turns out, are in high demand. The first generation of blood donors gave during World War II and continued to donate throughout their lives, said Nick Gehrig, communications manager for the North Central Blood Services Region of the Red Cross. With fewer donations from this demographic, blood banks are trying to instill a similar life-long commitment in younger generations — where body art happens to be more common.

## Setting standards

Bunn's bill would provide the kind of assurance AABB needs to allow people with recent tattoos or piercings to donate blood immediately. Unlike a related bill that was voted down in committee last year, Bunn said her legislation avoids being "excessively regulatory" and sticks to "what is absolutely essential for health and safety."

Under the bill, all body art establishments would need to be licensed by the Department of Health beginning in 2011, with the exception of those already licensed through similar county or municipal ordinances. Artists



PHOTO BY TOM OLMSCHIED

Tattoo artist Dan Claessens works on a new tattoo on the shoulder and arm of Corwin Johnson during an April 13 session at Beloved Studios in St. Paul.

Donors continued on page 22



## Bumper pride

Specialty license plates generate pride, funds and headaches

By LEE ANN SCHUTZ

**W**ant people to know you are a graduate of the College of St. Benedict? There's a license plate for that.

How about showing your love for Minnesota's habitat? There are plates for that.

What about displaying your purple pride? There's no plate for that yet, but the idea is being floated as part of a funding mix for a new Vikings stadium.

Depending on how you count them, there are about 74 types of special motor vehicle plates available displaying everything from college logos, the state flower to citizen-band radio call letters. In fiscal year 2009, 65,367 special plates were issued, and the total number of vehicles registered with special plates was 513,035.

It's a situation that the chairman of the House Transportation Finance and Policy Division thinks has gotten out of hand. Rep. Bernie Lieder (DFL-Crookston) is just as proud of his military service as the next veteran, but is a plate needed for every branch of service, nearly every medal or every war? He doesn't think so.

If he had his way, people would display their pride with bumper stickers, and the only vehicle plate available would be the generic Minnesota blue and white plate. This isn't about the personalized plates, as these have only letters and numbers, he said. It's the graphics on the specialty plates that are a problem.

"It's a safety issue," Lieder said. "The plates have so much on them that you can't read them." State statute requires that a plate can be read from a distance of 100 feet.

State Patrol Maj. Michele Tuchner agrees. "At a hit-and-run or with a gas drive-off you only get a moment to identify the plate, and sometimes it is hard to identify even the state because you could be distracted by the graphics on the plate." She said that years ago, most states had only one plate, and "you could tell right away which state (it was from)."

Lieder sponsors HF3524 that would spell out criteria for issuing special plates and provide a process for mothballing plates that have few takers. Ironically, it also expands the eligibility for the Combat Wounded license plate to a Purple Heart recipient who is still serving in the military, rather than just veterans. It awaits action on the House floor. The companion, SF3232, sponsored by Sen. Steve Murphy (DFL-Red Wing) awaits action by the Senate Transportation Committee.

Lieder's feelings about special plates are so well known around the Capitol that he said some members try to bypass his division with their plate requests and stick them in other omnibus bills. Even the governor has proposed special plates.

"I don't want to be a dictator, but there

is a process that should be followed," he said.

But how do you say no to special plate requests from the American Red Cross, Special Olympics, square dancers, junior golf, the Minnesota Twins and especially veterans groups?

It isn't easy, Lieder said. "It's an emotional issue for those involved with the group."

### High profile fund-raiser

There's the matter of economics with special license plates.

Specialty license plates generate money for the organization or agency sponsoring the plate.

For instance, there are more than 128,000 critical habitat plates positioned on Minnesota vehicles. Each plate generates a \$30 annual contribution to a special Department of Natural Resources fund. Since 1996, the plates have generated approximately \$18 million.

Debuting in December 2005, the approximate 33,000 Support our Troops license plates have brought in about \$420,000 for a special military families and veterans fund.

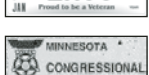
But there are other beneficiaries from plate

proceeds. For instance, the approximate 2,835 license plates issued for the various colleges require a minimum \$25 annual contribution to the college's scholarship fund from the purchaser.

While Lieder hasn't seen a specialty plate proposal as of yet from the Vikings, he speculates they are banking there are

***"It's a safety issue. The plates have so much on them that you can't read them."***

— Rep. Bernie Lieder  
DFL-Crookston  
House Transportation Finance  
and Policy Division Chairman





For the past several years, Minnesota has used digital license plate technology to produce the Critical Habitat Loon and Support Our Troops license plates. In 2008, Minnesota began to transition passenger plates to DLP. Eventually, all license plates in Minnesota will be manufactured using the DLP system.

Source: Minnesota Department of Public Safety Driver and Vehicle Services Division.

enough fans out there willing to spend a little extra for a new stadium.

"The genie is out of the bottle," said Rep. Terry Morrow (DFL-St. Peter), who likes specialty plates and has three requests, including one to "Support Highway 14." The plate would draw attention to the upgrades needed on the road that runs through his district. Funds generated from the sale of the plate would go into a fund for the road's reconstruction. Morrow's bill, HF2573, awaits a hearing in Lieder's division. Its companion SF3077, sponsored by Sen. Kathy Sheran (DFL-Mankato), awaits action by the Senate Transportation Committee.

Morrow, however, understands Lieder's

frustration, but thinks there can be some middle ground on the issue. He says the public safety issue is valid, but that could be addressed with stricter criteria for the plates.

### Who picks up the tab?

Another rub for Lieder is that the state doesn't recoup its administrative expenses for tracking and expending the money to the beneficiaries.

Manufactured by MINNCOR Industries, a prison inmate work program, the production, manufacturing and delivery cost of each set of plates is \$6.18, the same as a regular license plate, according the Lieder.



PHOTO BY TOM OLMSCHIED

Rep. Bernie Lieder, chairman of the House Transportation Finance and Policy Division, hopes to control what he calls the proliferation of special license plates. He sponsors a bill that would place stricter controls on production of the plates and force the retirement of plates that have few in service.

### Special plate requests this biennium

- Silver and Bronze Star Medals
- Retired Firefighters
- Retired Emergency Medical Technicians
- Korean Defense Service Medal recipients
- Equine enthusiast
- "Choose Life"
- Armed Forces Expeditionary Medal
- Victims of Impaired Drivers
- Mississippi River
- American Red Cross
- Special Olympics
- Square Dancers
- Multiple Sclerosis
- Junior Golf
- Minnesota Twins
- Support Highway 14

Current law requires a plate request be submitted to the Department of Public Safety Driver and Vehicle Services Division along with a \$20,000 fee to cover the application review and plate development. However, Lieder said that there are ways around the process and the fee — that's through legislation. His bill would tighten the requirements and require a report to the Legislature about a new plate, if it is approved.

The bill also clarifies procedures for retiring plates, and Lieder plays no favorites. The plate benefiting the University of Minnesota, Crookston, located in his district, is an example of one that should be retired, he said, because there are only five plates in service.

The law allows the public safety commissioner to discontinue special plates with fewer than 1,000 sets registered, but Lieder said he's not aware of any that have been discontinued. It also clarifies that the discontinuance applies to future issuances of plates and duplicates, so that people already having a discontinued plate can keep it on their vehicle for the remaining normal length of time (typically seven years total).

Several plates besides the University of Minnesota Crookston have fewer than 10 in use. They include:

- Concordia University – 8
- Macalester College - 4
- College of St. Benedict; Saint Mary's University of Minnesota- each with 3;
- Medal of Honor -1



Images courtesy of the Minnesota Department of Public Safety Driver and Vehicle Services Division



# Return on investments

## State employee and teacher retirement accounts hurting

BY PATTY OSTBERG

**S**tate employee and teacher pensions have taken a major hit during the recession. The State Board of Investment says legislative intervention is needed to stabilize the accounts.

Sponsored by Rep. Mary Murphy (DFL-Hermantown), HF3281 and HF2952 set out adjustments to a myriad of retirement accounts including the Minnesota State Retirement System plan that covers more than 50,000 active employees, and currently pays monthly benefits to over 20,000 retirees, survivors and disabled employees.

Other plans include: General Employee Retirement Plan for the Public Employees Retirement Association, Teachers Retirement Association, Duluth Teacher's Retirement Fund Association, St. Paul Teacher's Retirement Fund Association, Minneapolis Employees Retirement Fund and the State Patrol Plan.

The bills would adjust the inflow and outflow of money by using various strategies including reducing cost of living adjustments, reducing interest on deferred benefits and eliminating interest on re-employed retiree accounts.

The bills were approved April 8 by the House State Government Finance Division and sent to the House Finance Committee.

Sen. Don Betzold (DFL-Fridley) sponsors the companion bills, SF2918 and SF2573. Both await action by the Senate Finance Committee.

Murphy, vice chairwoman of the Legislative Commission on Pensions and Retirement, said the changes are a result of a consolidation of about 24 separate pension bills.

### Everyone shares in the fix

Mary Vanek, executive director of the Public Employees Retirement Association,

said the Legislature directs the plans to be 100 percent funded; however, most plans can operate comfortably at 90 to 95 percent. The bills lay out a path for the plans to achieve the funding targets.

Luther Thompson, assistant executive director for legal and legislative services for the Teachers Retirement Association said, "You have to look at public pensions as one of the positive things you've done for the state of Minnesota. They have been prefunded, they are not broke, but they have to be fixed."

While TRA is slowly seeing market increases, it is not enough to recover from its 59.8 percent funding level as of June 30, 2009. "It is absolutely an actuarial necessity to fix the fund now. There is no reasonable economic expectation that we can earn our way out of this," Thompson said.

Like many funds, TRA is looking to get all investors to share in the sacrifice. Under the bills, TRA member and employer contribution rates would increase 0.5 percent annually, phased in over a four-year period. Annual benefit adjustments would be suspended for 2011 and 2012, and the yearly increase would be lowered from 2.5 percent to 2 percent thereafter. The change would remain in place until the fund is 90 percent funded.

Jan Alswager, chief lobbyist for Education Minnesota, said the organization opposes the changes because it puts a heavier burden on active members. "We're asking the active members to pay a 2 percent increased contribution for a problem they had very little to do with," she said.

Some MSRS investors could see a slightly different approach.

Executive Director Dave Bergstrom said the board isn't looking at increasing contribution rates to solve the problem. "We felt very strongly that employees can't handle any higher contribution rates because they are getting zero percent raises, have been getting zero percent and likely not getting much into the future."

Instead, MSRS would reduce post-retirement adjustments from 2.5 percent to 2 percent, to be restored once the fund is 90 percent funded. Re-employed retiree account interest would be eliminated and new members would be vested after five years, instead of the current three years.


The State Patrol Plan and MERF would have the biggest impact on state agency budgets. Previously, about \$36.5 million annually was dedicated for MERF relief, but blank appropriations were amended to the bill in the government finance division.

### Defined benefit vs. defined contribution

Rep. Steve Gottwalt (R-St. Cloud) asked why state plans don't consider moving toward a defined contribution approach, where an employer sets aside a fixed amount per year for the benefit of an employee. Many private sector businesses use this option, he noted.

Vanek said the plans firmly believe a defined benefit plan, which relies on a formula using salary history and years of employment to determine an individual's benefits, is a better approach for public employees. Studies show that if you target a certain benefit level, a defined benefit plan can achieve that benefit level at 46 percent of the cost of a defined contribution plan, she said. "Benefit plans, if managed properly, can get better bang for your buck."

Rep. Mary Kiffmeyer (R-Big Lake) said there were many years where previous retirees received double digit increases to the extent that it doubled their pensions. Pension directors told the Legislature that the increases "were too rich," yet lawmakers ignored their advice, she said.

"You are absolutely right, we took too long to put the caps on," Murphy said. The pension commission feels very strongly that the Legislature must act now, she added. "We can't wait another year to talk about it." 



# Open fields

Pilot program would pay private landowners for walk-in hunting access

By SUE HEGARTY

**H**unters who want to test their marksmanship on small game, waterfowl, deer and other Minnesota wildlife have access to more than 57,000 acres of public hunting grounds, but there are a few frustrations, say stakeholders.

Prime hunting areas for bagging small game such as prairie chickens, grouse and pheasants are mostly on private land in the southwest part of the state.

Neighboring states have programs that pay private landowners for public “walk-in” access.

Creating more public access in small game nesting areas is the goal of HF3722, which would establish a two-year pilot walk-in access program in Minnesota. Rep. Tom Hackbarth (R-Cedar) sponsors the bill, which was laid over April 12 for possible inclusion in the House Game, Fish and Forestry Division omnibus bill.

The House Environment and Natural Resources Finance Division held an information hearing April 13 on funding options. No action was taken.

The program comes with a \$2 million fiscal note, but Hackbarth proposes leveraging an appropriation from the game and fish fund with a federal Open Fields grant. Authorized by Congress in 2008, Open Fields provides \$50 million worth of competitive grants through 2013.

Revenue from the nearly 900,000 Minnesota hunting licenses sold each year is deposited into dedicated accounts in the game and fish fund. One funding option could include applying a surcharge to hunting license fees. Nonpartisan House Fiscal Analysis

estimates that all hunters would need to pay an additional \$2.33 to cover the full cost of the pilot program. However, that number would be higher if the surcharge was only levied against the 266,000 small game hunters. Obtaining an Open Fields grant would lower the costs.

The program could target public land already enrolled in existing easements, such as the federal Conservation Reserve Program, Wetlands Reserve Program or Reinvest in Minnesota. Private landowners who receive payments for these programs would be paid additionally for a walk-in hunting easement. Land enrolled in the pilot program would need to be a minimum of 40 contiguous acres and be available to the public during the small game season, September through February.

Stakeholders hope that 25,000 acres would be enrolled the first year and 50,000 the second year. It would take a minimum 5,000 acres to begin the walk-in program.

A study by the Department of Natural Resources found that other states pay private landowners between 45 cents and \$8.52 per acre. Fees are determined in a variety of ways: a flat fee, negotiated rates or payment based on the number of hunting days. Minnesota is basing its proposed walk-in program on South Dakota, which pays landowners \$1.74 per acre, according to the 2008 Access to Minnesota Outdoors study.

Eventually, Hackbarth hopes the program appropriations would come from the Outdoor Heritage Fund, but some legislators don’t believe that would be a legal use of the funds. Access to hunting is viewed as a secondary issue. Hackbarth, who was a sponsor of the constitutional amendment legislation to establish the fund, disagrees.


“Hunters and fisherman helped pass the amendment and they don’t get the benefit of it,” he said.

Besides funding issues, legislators must also address the landowner’s liability risk and concerns from adjacent landowners not enrolled in the program. Another concern is that half the agricultural land in the state is leased by absentee owners.

Proponents say with proper signage and enforcement, those details can be worked out. Besides meeting current demand for open hunting space, it’s important to introduce children to small game hunting as a retention method for hunting in the state. Although the number of hunting licenses sold has been stable, there is a fear that as the baby boomers age, those numbers will drop, along with revenues.

The Minnesota Deer Hunters Association supports the bill. Executive Director Mark Johnson said the No. 1 reason people say they stop hunting is because they feel they don’t have a place to go or because access is too far from home.

Tourism is another carrot that supporters can dangle. About 6,500 licensed small-game hunters are non-residents. The average hunter spends an estimated \$1,100 annually to engage in the sport, Johnson said.

A companion, SF3297, sponsored by Sen. Satveer Chaudhary (DFL-Fridley), was recommended to pass for possible omnibus bill inclusion March 24 by the Senate Environment, Energy and Natural Resources Budget Division. 

# Seifert concludes 14-year House career

He's strived to serve "conscience, constitution and constituents"

Editor's Note: As the 2010 session winds down, several members have announced their intentions to leave the Minnesota House of Representatives for new adventures. They leave a legacy of service that will remain part of legislative history.

By Kris BERGGREN

Fourteen years ago, a 23-year-old high school teacher ran for public office to serve his rural southwestern district in the House of Representatives. Today, Rep. Marty Seifert (R-Marshall) is about to finish his seventh term in that office, including three years serving as House minority leader.

Seifert ran for the District 21A seat in 1996 hoping to repeal the Profile of Learning, a controversial set of K-12 education standards authorized in 1992.

"As a classroom teacher," recalled Seifert, "I felt there were people who had no idea how to teach telling teachers what to do," he said. "I felt the bureaucracy in St. Paul was telling teachers how to teach, farmers how to farm, small-business people how to run their businesses, parents how to raise their children."

"So what do you do? Run for office."

Despite his youth, Seifert wasn't intimidated the first time he entered the House chamber, but he was "very humbled, to walk in and realize I am here serving the people."

Within the year, he would become the first lawmaker to sponsor a bill to repeal the Profile. That 1997 bill didn't make it past the education committee; but six years later,

Seifert's goal was realized when Gov. Tim Pawlenty, who had also campaigned on a promise to get rid of the Profile, was in office, and the Senate was persuaded to support the repeal, as the House already had.

Seifert would still like to change the way things are done in St. Paul, so he's running for office again — the governor's office.

One might assume Seifert's gubernatorial aspirations preceded his decision not to run for an eighth term, but that's not the case.

"I was going to go back to Marshall and grow my property management business,"

Seifert said, a decision he made with his wife, Traci. "I assumed Gov. Pawlenty would run for re-election."

In some ways, Seifert said, campaigning for governor is easier than serving as minority leader, a position he held from 2007 until stepping down last June after deciding to seek the chief administrative office.

Serving as minority leader "is a very time consuming position. ... You have 134 candidates to recruit, traveling around the state, fundraising and a caucus full of members with issues to help resolve."

Seifert doesn't think the current House climate is any more or less partisan than when he first arrived, though he believes expectations of government have increased.

"The budget deficit is the biggest political dynamic that has changed," Seifert said. "When I came in, there was a lot of surplus."

Limiting state government's scope while honoring priorities has been a hallmark of Seifert's legislative career. He is proud of his 2005 role as chairman of the House State Government Finance Committee, when, despite a partial government shutdown that year, his finance bill came in on time and on budget, with overall savings to the state but a record increase for veterans and military spending.

He also sponsored a law to allow

Seifert continued on page 22



PHOTO BY TOM OLSCHIED

Finishing his seventh term as a House member — three serving as House minority leader — Rep. Marty Seifert is running for the governor's chair.

## STEPPING DOWN

Rep. Marty Seifert  
Republican  
District 21A - Marshall  
Terms: 7 (elected 1996)  
Advice to successor:

"Be honest. Listen to your constituents. Blend the three "C's"— conscience, constitution and constituents — those are the best guideposts you can have in any office."

# Energized to follow a different path

Bar exam, ski trip are in Kalin's immediate future

By SUE HEGARTY

In the span of a few years, a bachelor and would-be architect followed a very different path and instead became a law student, a husband and a state and national leader on energy issues.

Now Rep. Jeremy Kalin (DFL-North Branch) said it's time he took his wife on a long overdue ski vacation. Then, there's this test he'll take in July called the bar exam. Perhaps he'll study for that inside the mountain chalet.

Kalin's life took a sharp turn in 2007 when he began his first term as a legislator and was wed.

"My wife and I were married 11 days after the 35W bridge went down." The conversation went something like this: "Honey, you know that part-time job I have? Well it's actually full-time because my training in architecture means I can actually speak the language of engineers," Kalin said.

For the next two-and-a-half years, the couple has managed the very hectic life of a state representative and an ob-gyn physician who drives 45 miles to deliver babies in Minneapolis.

"We've decided to take a break from campaigns and elected office and enjoy our lives together, while we can still call ourselves newlyweds," Kalin said.

Through the end of his term he'll focus on the proposed Ratepayer Protection Act that would update utility rate structures.

"Our utility rates are really set based on having to expand. We haven't truly modernized the way that we set our utility rates. We've gotten much better at energy efficiency and energy conservation ... and yet we're still in this 1930s and 1940s mode."

In 2009, Kalin was selected by the White House to chair the national, bipartisan Coalition of Legislators

for Energy Action Now. Working with the Obama Administration and the U.S. Senate has been a highlight of his career.

In 2007, he helped craft the Demand Efficiency Act, an energy conservation standard. One year later, Kalin partnered with the Pentagon to pass the Military and Overseas Voting Act, resulting in a 450 percent increase in military and overseas ballots getting counted.

"To make sure our defenders of democracy have that core right to vote was an amazing privilege," Kalin said.

As a freshman legislator, the first bill he

introduced was on behalf of a constituent who returned from Iraq and was denied a deer hunting license because he didn't have a gun safety certificate. "Here's a guy we trusted with an M16 and other sidearms in battle, but we couldn't trust him with a rifle out in the woods." Kalin thought his bill to waive the gun safety requirement for veterans was non-controversial, but he faced opposition. A compromise was eventually reached.

"It taught me that no matter how common sense it sounds, things don't get done simply around here," he added.

He quickly learned not to take it personally. "While things around here can feel petty at times, some of it is just the result of either ourselves or the people we work with not being able to clearly articulate their passion for their subject," Kalin said.

He also played a key role in his district, securing funding to create Ojiketa Regional Park in Chicago City, to build the new North Branch bridge over Interstate 35 and to advance the Highway 8 project in downtown Lindstrom.

Kalin began working on the framework for a 2009 energy stimulus bill even before the federal recovery act passed. It was a "moment in history where the clean energy policies were lining up with the job opportunities," he said. "We were clearly in crisis and I wanted to do whatever I could to get people to work as soon as possible."

His successor will have his or her work cut out for them.

Kalin continued on page 22



PHOTO BY TOM OLMSCHIED

Rep. Jeremy Kalin, who will not seek re-election, hopes his Ratepayer Protection Act will be passed before he leaves office.

## STEPPING DOWN

Rep. Jeremy Kalin  
DFL  
District 17B - North Branch  
Terms: 2 (elected 2006)  
Advice to successor: "Work as hard here as you worked getting here."



## Tracking new laws, vetoes

Once a bill passes the House and Senate in identical form, it is sent to the governor for consideration. The governor has several options when considering a bill:

- sign the bill and it will become law;
- veto the bill;
- line-item veto individual items within an appropriations bill; or
- do nothing, which can have two different effects.

The timing of these actions is as important as the actions themselves.

In the second year of the biennium, (even-numbered years) a bill passed by the Legislature and presented to the governor before the final three days of the session will become law unless the governor vetoes it by returning it to the Legislature within three days. (Sundays are not counted in the three-day time limit, but holidays are.)

The governor normally signs the bills and files them with the secretary of state, but his or her signature is not required. If a bill is passed during the last three days of session, the governor has a longer time to act. He or she must sign and deposit it with the secretary of state within 14 days after the Legislature adjourns "sine die." If the governor does not sign a bill within this time frame, it will not become law — an action known as a "pocket veto." The governor is not required to provide a reason for the veto.

Only on appropriations bills can the governor exercise the line-item veto authority. This allows the governor to eliminate the appropriation items to which he or she objects. With the exception of pocket vetoes, the governor must include a statement listing the reasons for the veto with the returned bill. Here, too, the

timetable is three days after the governor receives the bill.

Policy items contained in appropriation bills may not be line-item vetoed. In order to veto such an item, the governor is required to veto the entire bill.

A two-thirds vote of the members in each house is needed to override a veto. But because only the governor can call a special session of the Legislature, anything vetoed after the Legislature adjourns is history — at least until the next year.

The governor's veto authority is outlined in the Minnesota Constitution (Article IV, Section 23).

More information is available on the governor's Web site ([www.governor.state.mn.us](http://www.governor.state.mn.us)). Select the "Legislation" link.

### Key:

CH=Chapter; HF=House File; SF=Senate File

CH	HF	SF	Description	Signed	Vetoed
180	729	848*	Election judge provisions, mail balloting provisions, and town election provisions modified.	2/11/2010	
181	1074	740*	Anoka County; design-build process authorized to award contract for construction of intersection of U.S. Highway 10 and County State-Aid Highway 83.	2/11/2010	
182	2680	2168*	Mental health urgent care and consultation services established, general assistance medical care program modified, and money appropriated.		2/18/2010
183	927*	1004	Construction codes and licensing modified.	3/1/2010	
184	2552	2251*	State primary date changed, and certain primary-related dates and provisions changed.	3/3/2010	
185	2675	2373*	American Legion Day designated as September 16 of each year.	3/9/2010	
186	2713	2309*	Probationary period lengthened for newly hired peace officers in certain statutory cities.	3/9/2010	
187	2763	2352*	Income tax charitable deduction accelerated for relief of Haitian earthquake victims.	3/9/2010	
188	2485	2253*	Rock Island Bridge moratorium on demolition or removal repealed.	3/14/2010	
189	2700*	2360	Omnibus bonding bill; capital improvement funding provided, previous appropriations modified, bonds issued, and money appropriated.	3/14/2010	Line-item vetoed
190	2856*	2512	Continuing education requirements changed for real estate brokers and salespersons.	3/19/2010	
191	2706*	2252	Certified public accountant licensing requirements clarified.	3/24/2010	
192	2599	2439*	Live check solicitations prohibited.	3/24/2010	
193	2797	2259*	Indian tribes authorized to participate in joint powers agreement.	3/24/2010	
194	3111*	2622	Ballot board use required to process absentee ballots, absentee ballots permitted to be counted starting on the fourth day prior to election, and other absentee ballot processing procedures modified.	3/24/2010	
195	3468	3167*	Town meeting minutes provided.	3/26/2010	
196	2575	2183*	North Branch; Corporal Johnathan Benson Memorial Highway designated.	3/26/2010	
197	3321	2946*	Collection of fees allowed under the license reinstatement diversion pilot program to be extended for 18 months.	3/26/2010	
198	3116	2743*	Hospital construction moratorium modified.	3/26/2010	
199	2897	2596*	Psychologist licensure requirements modified.	3/26/2010	
200	802	460*	Mental health urgent care and psychiatric consultation required, hospital payment rates reduced, covered services changed, transfers allowed, general assistance medical care program created, coordinated care delivery systems required, temporary uncompensated care pool and prescription drug pool created, and money appropriated.	3/26/2010	
201	3108*	2388	Elections provisions modified.	4/1/2010	
202	1713	1494*	Radiological technology examination preparation practices prohibited, and penalties established.	4/1/2010	
203	2786*	2397	Duluth; membership rules provided for the Spirit Mountain Recreation Area Authority.	4/1/2010	

\*The legislative bill marked with an asterisk denotes the file submitted to the governor.

CH	HF	SF	Description	Signed	Vetoed
204	2561*	2182	North Branch; Veterans Memorial Bridge on marked Trunk Highway 95 designated.	3/30/2010	
205	2915*	2847	Bridge project ongoing prioritization provided.	4/1/2010	
206	3350*	2953	City employees prohibited from serving as mayor or on the city council.	3/30/2010	
207	2729*	2400	Richfield; firefighter limited response time residency requirements permitted.	4/1/2010	
208	2360*	2738	Minneapolis; Special School District No. 1; two member appointment provided on the Minneapolis redistricting commission, and standards established.	4/1/2010	
209	2918*	2632	Beverage production in basements authorized, and commissioner of agriculture directed to amend Minnesota Rules.	4/1/2010	
210	3259*	2875	Utility's requirement modified to post notice of impending disconnection of utility services to a rental building due to a landlord's failure to pay for service.	4/1/2010	
211	2828*	2231	Instrument requirements to secure debt clarified.	4/1/2010	
212	2949*	2925	Treatment works allocation and interceptors reserved capacity costs provisions modified.	4/1/2010	
213	3027*	2604	Mercury testing requirements amended for new incinerator units.	4/1/2010	
214	3139*	2952	Financial records release authority reinstated in response to a subpoena.	4/1/2010	
215	1671*	3223	Supplemental budget bill; state government funding provided for state agencies, departments, and commissions, and various other state government provisions modified, bonds issued, and money appropriated.	4/1/2010	
216	2695*	2568	Omnibus jobs bill.	4/1/2010	
217	1780*	1682	Revisor of statutes required to survey recipients of free state publications.	4/6/2010	
218	3067*	2843	Watershed plan provisions modified.	4/6/2010	
219	3336*	3031	Right of first refusal offers modified for property obtained with federal transit funding.	4/6/2010	
220	3187*	2328	Civil commitment oath or affirmation provided without notarization and the acceptability of electronic signatures and documents.	4/6/2010	
221	3172*	2797	Baseball field advertisements permitted.	4/6/2010	
222	2988*	2327	Minnesota Data Practices Act provision added on computer data, and state agency use of temporary session cookies on government Web sites clarified.	4/6/2010	
223	1217*	1568	Legend and nonprescription drug possession allowed by those disposing of them, and definitions modified.	4/10/2010	
224	2709*	2555	Volunteer protections during an emergency or disaster modified, and immunity specified for certain entities.	4/10/2010	
225	2881*	2817	Qualified persons with medical training or supervision authorized to take blood samples from DWI offenders, and legal immunity provided.	4/10/2010	
226	2956*	2563	Indian tribal government authorized conveyance of land no longer needed for trunk highway purposes.	4/10/2010	
227	3017*	2413	Municipalities authorized to permit certain solicitations by firefighters.	4/10/2010	
228	3363	2840*	Petroleum storage tank and capacity requirements modification; biodiesel minimum content requirement exemption for number 1 diesel fuel extension; biodiesel sale on a net volume basis regulation.	4/10/2010	
229	2701	2267*	Full-time firefighter definition expansion.	4/10/2010	
230	2766	2425*	Higher education private data disclosure provision modification.	4/10/2010	

## BILL INTRODUCTIONS

APRIL 13 - 15, 2010  
HOUSE FILES 3768 - 3785

### Tuesday, April 13

#### **HF3768-Hausman (DFL) Transportation & Transit Policy & Oversight Division**

Metropolitan Council authorized to acquire certain property interests of the University of Minnesota by condemnation proceedings.

#### **HF3769-Hausman (DFL) Finance**

Higher education and state board and agency funding provided to acquire and better public land and buildings and other improvements of a capital nature with certain conditions, bonds issued, appropriations modified and money appropriated.

#### **HF3770-Hausman (DFL) Finance**

Natural resources, Board of Water and Soil Resources, transportation and Metropolitan Council funding provided, bonds issued, previous appropriation modified and money appropriated.

#### **HF3771-Westrom (R) K-12 Education Policy & Oversight**

School board meeting minutes online publication allowed.

#### **HF3772-Falk (DFL) Energy Finance & Policy Division**

Renewable energy standard modified.

#### **HF3773-Liebling (DFL) Taxes**

Rochester lodging and food and beverage taxes amended.

#### **HF3774-Emmer (R) State & Local Government Operations Reform, Technology & Elections**

Governor and legislator consecutive terms limited.

#### **HF3775-Hoppe (R) State & Local Government Operations Reform, Technology & Elections**

Metropolitan Council oversight transferred to the Legislature.

#### **HF3776-Hoppe (R) K-12 Education Policy & Oversight**

Charter schools authorized to borrow money and obligations created for debt repayment.

#### **HF3777-Hausman (DFL) Finance**

Education, and employment and economic development funding provided, bonds issued, previous appropriations modified and money appropriated.

### **HF3778-Kahn (DFL)**

#### **Health Care & Human Services Policy & Oversight**

Clinical trial health insurance coverage compliance with federal law required.

### **HF3779-Gardner (DFL)**

#### **Taxes**

Metropolitan area transit and paratransit capital expenditure additional financing provided and certain obligation authorization issued.

### **HF3780-Norton (DFL)**

#### **Finance**

Minnesota State Colleges and Universities system heating and cooling system conversion money reappropriated.

### **HF3781-Clark (DFL)**

#### **Finance**

Nanotechnology report required from the University of Minnesota and the Minnesota State Colleges and Universities system.

### **HF3782-Ward (DFL)**

#### **State & Local Government Operations Reform, Technology & Elections**

Real property transfer authorized to American Indian tribes under certain conditions.

### **HF3783-Beard (R)**

#### **Taxes**

Aircraft sales and use tax rate reduced.

### **HF3784-Otremba (DFL)**

#### **Commerce & Labor**

Douglas County; Theatre L'Homme Dieu special liquor license allowed.

### **HF3785-Liebling (DFL)**

#### **Taxes**

Tax Expenditure Advisory Commission created, and review and sunset provided for tax expenditures.

---

### **Donors continued from page 13**


would be required to hold a tattoo technician license or a body piercing technician license; both would require the completion of at least 200 hours of supervised experience in the applicant's field and completion of coursework in areas including bloodborne pathogens and infection control. After upfront costs to the state government special revenue fund in fiscal years 2011 through 2013, licensing fees would fund the oversight and inspection of establishments.

The bill also sets health and safety standards for body art procedures, including requiring the use of single-use needles and ink. In a change from current law, technicians would be prohibited from providing tattoo services to anyone under age 18, regardless of parental consent. Bunn said the language is intended to ensure that people who choose to get tattoos have done so based on their own decision-making and autonomy, not due to direction from parents or others.

The subdivision addressing minors is one of several provisions specifically requested by members of the body art community, some of whom collaborated on the bill. Unlike other licensing areas, tattoo and piercing technicians have fewer professional organizations and are harder to work with collectively, Bunn said. The ones she's spoken with believe statewide regulations would add legitimacy and credibility to their profession.

"Most all of them already meet the standards in this bill and they want to make sure that everyone engaged in this work is doing it in a safe way," Bunn said.

"I really don't want that prejudice to return," said Tanika Nolan of ACME Tattoo Co., Inc., in St. Paul, referring to past discrimination against the body arts. "We fought very hard to be mainstream."

Bunn's bill was approved by the House Finance Committee April 9 and sent to the House Ways and Means Committee. A companion, SF525, sponsored by Sen. Yvonne Prettner Solon (DFL-Duluth), was amended by the House Ways and Means Committee to insert the House language into the Senate file. It was approved April 14 and awaits action on the House floor. 

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### **Seifert continued from page 18**

non-violent offenders to pick up roadside trash, and another authorizing prisoners to receive two meals instead of three on weekends, which he estimates saved \$3 million. Opponents warned it would cause prison riots, said Seifert; instead, wardens have found that prisoners don't mind "brunch and supper" and the chance to sleep later.


He is also known for last year's Brandon's Law, which allows law enforcement to begin searching immediately for adults who have gone missing under dangerous circumstances. Seifert said it's considered a national model for missing adult laws and that he's been contacted by several states interested in passing similar legislation.

Seifert said he will most miss his colleagues and the "fantastic" staff. He values learning

from the diversity of perspective from lawmakers from all parts of the state, and the lifelong friendships he's made in his job.

However, perhaps his favorite part of politics is local. Seifert said he's proud of having been the top Republican vote-getter in his district of all candidates for any office in each of the seven elections he's been on the ballot, winning many votes cast by non-Republicans as well as his own party faithful.


He truly enjoys the personal ways he is present to the people of his home district, for example, by helping someone with a licensing problem, or attending an Eagle Scout ceremony or high school graduation.

"Those are fun and, I think, very honorable things to do," he said. 

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### **Kalin continued from page 19**

"The state's economic challenges are severe," Kalin said. "Not only are we dealing with what's been called the Great Recession, but we're also dealing with the leading edge of the retirement of the baby boomers. We really have to rethink the way we're doing things."

Come late May, Kalin and his wife will focus on packing their bags and waxing their skis. When the honeymoon is over and he passes the bar exam, expect Kalin to continue his work on clean energy initiatives. "I'm pretty sure I'll be in the energy area but we'll see what comes." 



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— S. HEGARTY

Sources: Avian monitoring study at Buffalo Ridge Wind Resource Area; National Wind, LLC; Minnesota Office of Energy Security; Southwest Minnesota Careers; Windustry® & Great Plains Windustry Project; City of Minneapolis Web site; City of St. Paul Web site.

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A NONPARTISAN PUBLICATION  
MINNESOTA HOUSE OF REPRESENTATIVES • PUBLIC INFORMATION SERVICES  
VOLUME 27, NUMBER 11 • APRIL 23, 2010

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## SESSION WEEKLY

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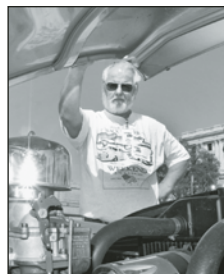
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Session Weekly (ISSN 1049-8176) is published weekly during the legislative session by Minnesota House of Representatives Public Information Services, 175 State Office Building, 100 Rev. Dr. Martin Luther King Jr. Blvd., St. Paul, MN 55155-1298. Periodicals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

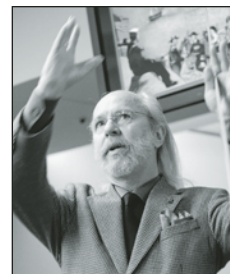
Printed on recycled paper which is 50% recycled, 30% post-consumer content.



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**On the cover:** Rep. Mindy Greiling, chairwoman of the House K-12 Education Finance Division, reacts at an impromptu April 19 news conference outside the office of Gov. Tim Pawlenty after the governor announced the introduction of a Race to the Top education reform proposal.

— Photo by: Tom Olmscheid

# Resuscitating Race to the Top bid

New bid could hinge on proposals to boost teacher effectiveness

By KRIS BERGGREN

**M**innesota tripped in the first leg of Race to the Top, a competitive federal education grant, but now policy makers are dusting themselves off and preparing for a second bid.

Education officials learned last month that their application earned 375 out of 500 possible points, coming in at 20 of 41 states applying.

Missing out on federal money to stimulate education reform and turn around chronically low-performing schools was a blow, but it's also a reality check — giving the state a second chance not only to make a bolder application but to have a fuller discussion about reform, say lawmakers.

Gov. Tim Pawlenty said he won't sign a

second Race to the Top application unless the Legislature passes reforms that will satisfy grant criteria. He's pushing Minnesota to keep up with the Joneses — or rather, the Tennessees and Delawares — the only two of 16 applicants making the first cut to win a combined \$600 million.

"Other states across the country are literally racing to pass these education reforms," said Rep. Pat Garofalo (R-Farmington) at an April 19 press conference. "Places like Delaware and Tennessee are getting in their Maseratis or

their Corvettes," while "some establishment figures in Minnesota are arguing about who's going to drive our '78 Pinto."

Rep. Mindy Greiling (DFL-Roseville), chairwoman of the House K-12 Education Finance Division, is "optimistic" a second application can succeed if all players collaborate this time. Minnesota would be eligible for between \$60 million and \$175 million over four years.

Lawmakers moved further down the reform highway at a joint House and Senate education committee meeting April 20 attended by Education Commissioner Alice Seagren and Education Minnesota President Tom Doohar. The governor's reform proposals were presented, and experts discussed key topics the Legislature has been working on, including alternative teacher licensure, use of data to evaluate teachers and the role of "highly effective" teachers in student success.

"The main way to win, no matter what, is if



PHOTO BY TOM OLMSCHIED

Members of House and Senate education committees listen to Misty Sato, an assistant professor of teacher development and science education at the University of Minnesota, discuss using a value-added growth model as a measure of teacher effectiveness during an informational meeting April 20 to hear about Race to the Top issues.

we come together on behalf of what is really good for our students ... and use research and not just whims of whatever anyone is asking us to do, including the federal government," Greiling said.

To recap the first round: Evaluators who reviewed Minnesota's 250-page application awarded high marks for strong charter school laws, high academic standards and high-quality assessments and a commitment to funding education, but they deducted points for lack of teacher union support. Only 12 percent of union locals endorsed the application. Reviewers liked certain ideas such as expanding Q Comp, the state's voluntary teacher evaluation and merit pay plan, and creating an Office of Turnaround Schools, but said the state didn't have a solid plan to carry them out.

Greiling, House K-12 Education Policy and Oversight Committee Chairman Carlos Mariani (DFL-St. Paul), Senate members, Dooher and Seagren met April 21 with representatives from the federal education department and Tennessee and Delaware officials.

Afterward, Greiling felt hopeful about a second application, and was advised to stick to what the state is already doing, but simplify the application and add a clear timeline for carrying plans out. One thing the winners had in common was that their governors personally worked with union leaders on the proposal, she said, so the unions supported

new accountability measures, similar to Pawlenty's, because "it's not done to them but rather with them."

Seagren would have to submit a letter of intent to apply by May 4.

### Effective teachers key to reform

How to recruit, train and retain high-quality teachers — and dismiss those who don't measure up — could not only help win the grant, but help close the achievement gap between white students and students of color in performance on standardized tests.

"The heart and soul of this is putting the most effective teacher in the classroom," Seagren said. The governor has offered a proposal for alternative teacher licensure pathways for nontraditional candidates; defining an "effective" teacher; counting test scores in teacher evaluations and tenure decisions; and has a five-year tenure renewal requirement.

Alternative licensure helps fill high-need licensure areas such as bilingual education, said Pat Pratt-Cook, Minneapolis Public Schools head of accountability and human resources.

"Most studies nationally show little connection between teacher effectiveness and their route to certification," Pratt-Cook said.

However, Education Minnesota, the teacher's union, traditionally resists such accountability measures, which could change the standard of lifetime tenure most teachers have. But research indicates that students who

### New rule about who sits at the table

Every seat at the committee table was taken during a standing-room-only joint meeting of House and Senate education committees April 20 to discuss a second Race to the Top application for a federal grant.

Some committee members were unable to find seats at the table, while Education Minnesota President Tom Dooher and Education Commissioner Alice Seagren were seated alongside House K-12 Education Finance Division Chairwoman Mindy Greiling (DFL-Roseville) and Senate Education Committee Chairman LeRoy Stumpf (DFL-Plummer).

This seating arrangement at the committee table drew criticism and resulted in a new House rule after the issue was brought up on the House floor April 21.

Republican members said Dooher, head of the state teachers union, didn't belong there, and that it sent the wrong message about the integrity of the legislative process.

"To have a member of the lobbying community at the table, I think was inappropriate," Rep. Randy Demmer (R-Hayfield) said, "especially when elected officials don't have a place at the table."

"What happened yesterday was an embarrassment to the body," added Rep. Mark Buesgens (R-Jordan). "I hope there is an apology from the other side of the aisle."

Although Greiling had introduced the meeting as "unofficial," Buesgens said it had all the appearance of an official hearing.

Greiling said having the commissioner and union president at the table symbolized that all parties are working "figuratively and literally shoulder to shoulder" on a new application.

Buesgens and Demmer serve on the education finance division, and Demmer is also a member of the House K-12 Education Policy and Oversight Committee.

The controversy culminated in a new permanent House rule proposed by Rep. Marty Seifert (R-Marshall) to prohibit representatives from registered lobbying groups from sitting at committee tables during official committee proceedings. It incorporated an oral amendment by Rep. Jim Davnie (DFL-Mpls) to also prohibit members or staff of the executive branch from being seated. It was approved 128-2.

— K. BERGGREN



PHOTO BY TOM OLMSCHIED

Education Minnesota President Tom Dooher listens as Education Commissioner Alice Seagren explains Gov. Tim Pawlenty's Race to the Top reform proposal during an informational meeting of the House K-12 Education Finance Division and the Senate E-12 Education Budget and Policy Division April 20.

have effective teachers progress three times faster than those with less effective teachers, according to Bush Foundation Vice President and Educational Achievement Team Leader Susan Heegaard.

"We have a historic opportunity before us," Heegaard said, to deliver as many as 25,000 highly effective teachers to replace that many who will retire within the next decade. The foundation has committed \$40 million over 10 years to strengthen teacher training and ongoing support for new teachers, in partnership with 14 higher education



**Editor's note:** The following Highlights are coverage of select bills heard in House committees and other House activities held April 15-22. 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.

## AGRICULTURE

### Recognizing county fairs

The year 2011 would be recognized as the "Year of the County Fair," under a resolution approved by the House Agriculture, Rural Economies and Veterans Affairs Committee April 15.

Sponsored by Rep. Al Juhnke (DFL-Willmar), HR9 recognizes county fairs as among one of the "longest continuously running events of their kind."

The resolution says Minnesota fairs are one of the "largest social gatherings, bringing people together in harmony and building family and social capacity." It encourages every citizen to attend county fairs in 2011 in recognition of the value of the fairs. The first county fair was held in 1811.

The resolution now goes to the House floor. There is no Senate companion.

"Hopefully this will jumpstart a large discussion of getting people out to the county fairs," Juhnke said.

— P. OSTBERG

## BUSINESS

### Help for entrepreneurs

Entrepreneurs in Minnesota would have a web-based "one-stop shop" to find help starting and growing their businesses, if a bill sponsored by Rep. Julie Bunn (DFL-Lake Elmo) becomes law.

Bunn sponsors HF2839/SF2758\*, which would establish a Minnesota Entrepreneur Resource Virtual Network. The goal is to help business startups by providing them with access to technical assistance, grants and other support services available from both public and private sources.

The bill would build on an existing collaboration between the Department of Employment and Economic Development and the Minnesota Chamber of Commerce. Bunn said the current program, known as BusinessConnect, doesn't go far enough in providing information relevant to starting a

business. She envisions a website where people can not only find information on how to start a business, but also access the necessary forms and paperwork, find information on capital resources, and find organizations that can assist them in their goals.

"There's tremendously different kinds of resources available in our state," Bunn said — everything from technical assistance on accounting and legal issues to help with marketing and business plans.

Users for the site would range from someone with only a vague notion of starting their own company to an established employer looking for help with issues that are unique to their particular industry.

"There's a number of regional nonprofits in the rural and outstate areas that do work in small business development — community development organizations, foundations, our technical colleges," she said.

To keep the project from impacting the state's current budget woes, the bill would ask DEED to seek private funding for the project. It also includes language that would require DEED to report back to the Legislature by Sept. 30, 2010, on progress made toward establishing the network.

The House Finance Committee approved the bill April 20 and sent it to the House floor. The Senate unanimously passed a slightly different version March 29. Sen. Terri Bonoff (DFL-Minnetonka) is the Senate sponsor.

— N. BUSSE

## CONSUMERS

### Directory scams banned

**Signed  
by  
the  
governor**

Out-of-state companies that pretend to be homegrown Minnesota businesses will be guilty of deceptive business practices, under a new law.

Sponsored by Rep. Steve Simon (DFL-St. Louis Park) and Sen. Sandy Pappas (DFL-St. Paul), the law makes it illegal for companies to misrepresent their location in phone directories, print ads and on the Internet.

The law is intended to address a kind of scam in which out-of-state companies take out ads pretending to be Minnesota-based companies. The companies overcharge customers who place orders, transfer the orders to actual Minnesota companies and then keep the difference as profit. Practitioners have targeted the floral and locksmith industries in particular.

The law generally states that a business

misrepresents its geographic location if: they represent themselves to be at a location where there is not at least one owner or employee regularly performing services; and set up a local phone number that routinely routes calls to out-of-state call centers.

Signed April 15 by Gov. Tim Pawlenty, the law takes effect Aug. 1, 2010.

HF3277\*/SF3102/CH235

— N. BUSSE

### Changes to liquor laws

**Signed  
by  
the  
governor**

Those attending the Minnesota State Fair this year can enjoy a glass of Minnesota-produced wine if they want, thanks to this year's omnibus liquor law.

Sponsored by Rep. Joe Atkins (DFL-Inver Grove Heights) and Sen. Linda Scheid (DFL-Brooklyn Park), the law also authorizes liquor licenses at several locations. Unless otherwise noted, it takes effect April 23, 2010, one day after it was signed by Gov. Tim Pawlenty.

Under the changes, the state fair may issue beer licenses directly to concessionaires; previously, Ramsey County was responsible for issuing the licenses. For the first time, the fair will also be allowed to issue licenses for selling wine by the glass, provided that the wine is produced by a Minnesota winery. In addition, the law allows the fair, and not Ramsey County, to authorize the sale of tobacco on the fairgrounds.

The law includes changes that will allow liquor stores to conduct beer- or liquor-tasting events in addition to the already-allowed wine tastings. The law specifies that the event must be no longer than four hours in duration, and sets a number of ground rules for how tastings must be conducted.

Liquor licenses are authorized for several locations under the law, including:

- the Museum of Russian Art in Minneapolis (pending authorization by the city);
- the University of St. Thomas' Minneapolis campus;
- the Bemidji Regional Event Center; and
- Bemidji State University, for certain events only.

Insurance requirements for liquor retailers are clarified in the law. The changes incorporate a recent Minnesota Supreme Court decision, *Brua v. Minnesota Joint Underwriting Association*. An exemption from the requirements is provided for wholesalers who donate wine to an organization for a wine tasting.

HF3186/SF2808\*/CH255

— N. BUSSE

## Business screening services

Signed  
by  
the  
governor

Ensuring that records disseminated by business screening services are accurate is the goal of a new law.

Such services are private entities that collect, assemble, evaluate or disseminate criminal records on individuals for a fee.

Sponsored by Rep. Mary Liz Holberg (R-Lakeville) and Sen. Don Betzold (DFL-Fridley), the law clarifies that a business screening service can only share “a criminal record that reflects the complete and accurate record provided by the source of the data.” The record has to have been updated within 30 days of receipt of information or has to have been verified as current by the data source within the previous 90 days. When disseminating a criminal record, the service must include the date the record was collected by the service.

The law also spells out that in an investigation as to the completeness of the record, a service must determine whether the record accurately reflects the content of the official government record: “If the disputed record is found to be sealed, expunged, or the subject of a pardon, the business screening service shall promptly delete the record.”

Signed April 15 by Gov. Tim Pawlenty, the law takes effect July 1, 2010.

HF3023/SF2322\*/CH240

— M. COOK

## ENERGY

### Energy policy debate laid over

When crafting a new energy ratemaking model for Minnesota, should stakeholders work off a clean slate or from a decades-old model focused on capital gain and amended dozens of times to include renewable energy and conservation policies that push reduction rather than production?

That’s the policy question facing the House Energy Finance and Policy Division, which laid HF3415 over April 20 for further discussion. Sponsored by Rep. Jeremy Kalin (DFL-North Branch), the bill is referred to as the Ratepayer Protection Act.

The bill tweaks policy language and would provide for a two-year study to determine if utility regulations can be brought in line with the state’s energy policies. Public utilities would be assessed up to \$1 million for the cost of the study.

Division members on both sides of the aisle agreed that a comprehensive discussion about how to meet the state’s future energy needs has to happen, but the scope of the conversation is



PHOTO BY ANDREW VONBANK

**Bill Glahn, director of the Office of Energy Security, right, shares his concerns April 20 with the House Energy Finance and Policy Division about a bill that would require Public Utilities Commission decisions to further goals of state energy efficiency and renewable energy, and modify showings in the certificate of need process. Rep. Jeremy Kalin, left, sponsors the bill.**

not yet defined. Rep. Mike Beard (R-Shakopee) called the bill a “catalyst” for laying all the options on the table, including lifting the ban on nuclear power plants.

Referencing a 2005 legislative audit report that assessed the cost effectiveness of the Energy Conservation Improvement Program, Kalin said the proposed study should consider the lowest long-term options for producing energy; the reliability of each type of energy source; and what a sustainable business model should look like.

A companion, SF3182, sponsored by Sen. D. Scott Dibble (DFL-Mpls), awaits action by the Senate Energy, Utilities, Technology and Communications Committee.

— S. HEGARTY

## ENVIRONMENT

### Battery recycling fee increased

Signed  
by  
the  
governor

Consumers who fail to recycle their old vehicle batteries will have to pay a larger fee than what’s currently in law.

Sponsored by Rep. Paul Gardner (DFL-Shoreview) and Sen. Ken Kelash (DFL-Mpls), and signed April 22 by Gov. Tim Pawlenty, the law modifies a

20-year-old statute requiring consumers who purchase new, lead acid batteries to either recycle their old batteries or pay a \$5 fee.

Currently, when you buy a new battery for your vehicle, you can recycle the old one free-of-charge. If you don’t bring in the old battery, you’re charged a \$5 fee.

The fee, which serves as an incentive for people to recycle their old batteries, is ultimately paid by the retailer to the battery manufacturer; however, since manufacturers often charge \$10 or more to retailers, the retailers have essentially been getting shorted by \$5.

Beginning Aug. 1, 2010, the fee that retailers charge to consumers at the point-of-sale will increase to “at least \$10,” so that retailers recover the full cost of the fee they’re charged by the manufacturers. As is the case with current law, consumers who bring in a battery for recycling within 30 days of purchasing a new battery will be able to get their fee refunded.

Gardner has said the law will serve the dual purpose of further encouraging consumers to recycle and also helping retailers’ bottom lines.

HF2402/SF2152\*/CH258

— N. BUSSE

### Petroleum spillage rules clarified

Signed  
by  
the  
governor

Rules regarding the cleanup of spilled petroleum are part of a technical Department of Commerce law signed by Gov. Tim Pawlenty April 15.

Sponsored by Rep. Greg Davids (R-Preston) and Sen. Kevin Dahle (DFL-Northfield), the law clarifies that the Petrofund may be used to cover cleanup costs from tanker truck spills and how much can be spent on a site. Effective April 16, 2010, the law also allows the department to file an environmental impact lien on a Petrofund site, similar to the current authority of the Department of Agriculture and Pollution Control Agency.

HF3362\*/SF2841/CH241

— S. HEGARTY

## GOVERNMENT

### Service contracts changed

Technical changes will be made to state law as it relates to organizations that employ people with severe disabilities and contract with the state for services.

Under current law, more than 19 percent of the value of state janitorial contracts must be awarded to rehabilitation programs and extended employment providers.

Sponsored by Rep. Gene Pelowski Jr. (DFL-Winona) and Sen. Ann Rest (DFL-New Hope), the law extends that requirement to document imaging and shredding, mailing, collating and sorting services. It also permits contracts awarded under this section to exceed the estimated fair market price for the same goods and services by up to 6 percent.

Signed April 22 by Gov. Tim Pawlenty, the law takes effect Aug. 1, 2010.

HF3096\*/SF2735/CH266

— P. OSTBERG

## HEALTH

### Licensure requirements modified

**Signed  
by  
the  
governor**

Continuing education requirements for licensed professional counselors are modified, under a new law signed by Gov. Tim Pawlenty April 15.

The law was prompted by conflicting language in current statute that left some counselors confused about postgraduate and continuing education requirements needed to maintain their licenses. Under the law, a counselor whose license was terminated prior to Aug. 1, 2010, does not need to complete certain continuing education activities, including those for re-licensure, if the person has completed a specific number of postgraduate semester credit hours. The provision does not apply to an individual whose license has been cancelled.

Sponsored by Rep. Steve Simon (DFL-St. Louis Park) and Sen. Ron Latz (DFL-St. Louis Park), the law takes effect Aug. 1, 2010.

HF3212/SF2877\*/CH248

— L. RADOMSKI

### After-death care modified

**Signed  
by  
the  
governor**

Family members will have more options in providing after-death care to their loved ones, under a new law signed by Gov. Tim Pawlenty April 22.

Sponsored by Rep. Carolyn Laine (DFL-Columbia Heights) and Sen. Sandy Pappas (DFL-St. Paul), the law modifies restrictions on who may control a dead body, how a body may be transported and how it must be preserved. Under the law, next of kin have the right to control a dead body, including removing the body from place of death with authorization from the Department of Health. A requirement in current statute that a body be embalmed before it is transported is removed.

Effective Aug. 1, 2010, the law also permits a body to be packed in dry ice instead of embalmed

in preparation for private viewing. With permission of the funeral home, family and friends of the deceased may assist with the washing and dressing of the body someplace other than the funeral home's preparation room.

Laine said the law reflects a growing desire for after-death procedures that are more natural and less reliant on toxic chemicals.

HF3151\*/SF2903/CH262

— L. RADOMSKI

### Health information procedures

**Signed  
by  
the  
governor**

Billing services and other entities that standardize health information are the subject of a new law designed to simplify and add transparency to claims, billing and payment procedures.

Sponsored by Rep. Paul Thissen (DFL-Mpls) and Sen. Tony Lourey (DFL-Kerrick), the law addresses health care clearinghouses, which process data from one format into a standard billing format. The law includes the following provisions:

- requires all health care providers, clearinghouses and group purchasers to provide an electronic acknowledgement when receiving health care claims or similar information;
- beginning in 2012, clearinghouses must provide clear and understandable information and instructions for responding to questions from providers and group purchasers;
- requires clearinghouses to provide electronic connections with other clearinghouses and trading partners when requested; and
- allows the Department of Health to require electronic publishing of clearinghouse contact information and other information useful to clients.

The bill was signed by Gov. Tim Pawlenty April 15 and takes effect Aug. 1, 2010.

HF2927/SF2852\*/CH243

— L. RADOMSKI

### Licensing home care providers

**Signed  
by  
the  
governor**

Home care providers can expect a handful of new or modified licensing regulations, under a new law signed by Gov. Tim Pawlenty April 15.

Sponsored by Rep. Larry Hosch (DFL-St. Joseph) and Sen. Sharon Erickson Ropes (DFL-Winona), the law broadens the enforcement powers of the Department of Health related to home care licensing. The law, effective Aug. 1, 2010, allows the department to impose a conditional license on a provider for certain infractions and allows license suspension to include

requirements that must be met before the suspension is lifted. It also sets procedures for transferring clients after a license has been suspended or revoked and expands sanctions against home care management.

Other provisions in the law modify requirements for licensure applicants and remove a time limit on licensure exemptions.

HF3196/SF2923\*/CH246

— L. RADOMSKI

## HOUSING

### Updating an interest ownership act

**Signed  
by  
the  
governor**

Rep. Gail Kulick Jackson (DFL-Milaca) said a new law is not an overhaul of the Minnesota Common Interest Ownership Act; rather, it is "a 50,000-mile tune-up."

The act governs condominiums, cooperatives and planned communities, including townhomes. It also mandates certain warranties and disclosure for the benefit of buyers.

The new law, signed April 22 by Gov. Tim Pawlenty, is the culmination of two years of work by the real estate section of the Minnesota State Bar Association, owners, realtors, lenders, county surveyors and developers. It takes effect Aug. 1, 2010.

It clarifies some things and makes changes to address unforeseen situations that came about because of the recent real estate market crisis.

Among its provisions:

- a clearer mandate for the developer to responsibly operate the owners' association;
- stronger requirements for funding association replacement reserves;
- increased requirement for disclosures to prospective buyers with respect to developer obligations;
- a penalty increase from \$1,000 to \$5,000 for developers who fail to deliver a disclosure statement to the buyer prior to the closing of a unit;
- removal of the obligation of a developer to turn over to an association the plans, records and warranties that are not under the developer's control or that will prevent a developer from enforcing the warranties against third parties;
- authorizes declarants to universally license garage stalls and storage lockers to unit owners when units are sold; and
- an owners' association can obtain lenders' consent to amendments to the association's governing documents in a manner consistent with current Fannie Mae and



Freddie Mac regulations.

Jackson, who sponsors the law with Sen. Ron Latz (DFL-St. Louis Park), said there have been some problems getting consent of lenders that hold mortgages because they receive the amendment but never respond. Under the law, the lender's consent will be automatic if no response is given within 60 days.

HF3393\*/SF2985/CH267

— M. COOK

## HUMAN SERVICES

### Appealing disability decisions

**Signed  
by  
the  
governor**

New requirements for the State Medical Review Team are intended to ensure Minnesotans who appeal disability decisions receive timely feedback from the Department of Human

Services.

Rep. Kent Eken (DFL-Twin Valley) and Sen. Linda Berglin (DFL-Mpls) sponsor a

new law related to the state officials who make disability determinations. Under the law, someone who appeals his or her disability determination must receive a decision on the appeal within 90 days; otherwise the appeal must immediately be reviewed by the chief appeals referee. The law also requires the department to annually report to the Legislature how long it took to issue a written decision on each disability appeal.

Signed by Gov. Tim Pawlenty April 22, the law takes effect Aug. 1, 2010.

HF3405\*/SF3199/CH261

— L. RADOMSKI

### Foster care extended

**Signed  
by  
the  
governor**

Young adults will be able to receive foster care services past age 18 beginning this summer.

Sponsored by Rep. Jeff Hayden (DFL-Mpls) and Sen. Patricia Torres Ray (DFL-Mpls), a new law will allow young adults to stay in foster care until

age 21, provided they are working, pursuing an educational program or unable to do either due to a medical condition. Youth who left foster care while under state guardianship as dependent or neglected may return anytime between the ages of 18 and 21.

Effective Aug. 1, 2010, the law also addresses other provisions related to child custody hearings, foster care and permanent placement:

- clarifies the right of a child and guardians to attend custody proceedings;
- modifies the definition of "parent" as it relates to presumption of paternity;
- modifies the information the Department of Human Services must provide to county or private agencies conducting a background check on a prospective adoptive parent;
- modifies what income and resources belonging to young adults over age 18 who continue to receive care or treatment through a county may be used to reimburse the county; and
- clarifies the responsibilities of social service

## HERO



PHOTO BY ANDREW VONBANK

Gunnar Fridtjof Thurmman Sønsteby is recognized on the House floor April 21. He was commended for his heroic actions as part of the Norwegian resistance movement during the German occupation of Norway in World War II.

agencies in contacting presumed fathers when a petition for protection or services is filed on behalf of a child.

The law was signed by Gov. Tim Pawlenty April 22.

HF3039/SF2690\*/CH269

— L. RADOMSKI

### New sexual conduct changes

Signed  
by  
the  
governor

An employee of, or volunteer at, a secure residential treatment facility who has sexual contact with a resident of the facility will have committed third- or fourth-degree criminal sexual conduct, even if the contact is consensual.

The new law, signed April 22 by Gov. Tim Pawlenty, takes effect Aug. 1, 2010.

Rep. Terry Morrow (DFL-St. Peter), who sponsors the law with Sen. Kathy Sheran (DFL-Mankato), said the law should have no fiscal cost. He said the employee union supports the law.

Program officials said this is “a low-frequency event,” but there are serious ramifications for staff, public safety and the rest of the institution when it does occur.

By statute, a secure treatment facility includes the Minnesota Security Hospital in St. Peter and the Minnesota Sex Offender Program facility at Moose Lake.

HF3191/SF2717\*/CH270

— M. COOK

## LAW

### Corporate law changes

Signed  
by  
the  
governor

Corporate lawyers take note: a new law signed April 15 by Gov. Tim Pawlenty makes a number of changes to state laws dealing with business organizations.

Sponsored by Rep. Dave Olin (DFL-Thief River Falls) and Sen. Ron Latz (DFL-St. Louis Park), the law is the result of changes proposed by the Minnesota State Bar Association and the Office of the Secretary of State’s business service division.

Among the most significant changes in the law, corporate boards of directors will no longer be required to appoint or remove all corporate officers. Instead, chief executive officers can appoint or remove officers — other than the chief financial officer — if it’s allowed by the corporate articles or bylaws, or if such authority is granted by the board.

Also under the law, publicly held corporations can eliminate or modify cumulative voting by a simple majority vote instead of a supermajority

vote. Supermajorities would still be required for privately held corporations.

The law includes a number of provisions relating to corporations, nonprofits and limited liability companies. Selected changes include:

- allowing boards of directors to make certain amendments to articles of incorporation in regard to share dividends;
- allowing boards of directors flexibility to maintain corporate records at locations other than the principal executive office;
- various provisions clarifying the process of approving amendments to bylaws and articles of incorporation for nonprofits; and
- modifications to requirements for filing documents with the Office of the Secretary of State.

Most of the law takes effect Aug. 1, 2010.

HF3025/SF2705\*/CH250

— N. BUSSE

### Health care directive clarification

Signed  
by  
the  
governor

A new law clarifies 2009 legislation relating to health care directives for wards and protected persons.

It provides that only a court, rather than a guardian, may declare a person’s health care directive unenforceable. The court would be required to find “by clear and convincing evidence that the health care directive was executed under coercion of fraudulent inducement ... or if it finds that the health care directive is not legally sufficient.” A guardian could previously replace a health care agent under certain circumstances specified in law.

Brought forth by groups working on elder law and vulnerable adult issues, the law also:

- establishes that a ward or protected person may outline their health wishes in a health care directive when a guardian does not have the authority to make a medical decision;
- ensures that the wishes of a ward or protected person nominated for a guardian are honored and respected; and
- modifies and streamlines certain informational reports that must be submitted to the court by a guardian or conservator.

Rep. Debra Hilstrom (DFL-Brooklyn Center) and Sen. Mee Moua (DFL-St. Paul) are the sponsors.

The law is effective April 16, 2010, one day after signed by Gov. Tim Pawlenty. Certain modified filing and documentation requirements apply to petitions filed and protective orders issued or renewed beginning Aug. 1, 2010, or earlier if directed by the court.

HF3128\*/SF2796/CH254

— M. COOK

### Rate exemptions for governments

Signed  
by  
the  
governor

Interest rates will be lowered in certain judgment cases.

Effective April 16, 2010, a new law undoes an inadvertent 2009 increase in the interest rate when money is owed to state or

local governments or vice versa for things like tax appeals and eminent domain judgments. Gov. Tim Pawlenty signed it April 15.

Last year’s omnibus public safety finance law increased the interest rate on any award or judgment greater than \$50,000 from the simple interest per annum based on the secondary market yield of a one-year U.S. Treasury bill (roughly 4 percent) to 10 percent.

Rep. Paul Marquart (DFL-Dilworth), who sponsors the law with Sen. Rod Skoe (DFL-Clearbrook), said the law was intended to just apply to large insurance companies. He said in some cases insurance companies that had to pay a claim were instead holding onto the money and putting it into an account with an interest rate greater than 4 percent. Therefore, the companies were making money before paying the claim.

The new law provides that judgments greater than \$50,000 for or against the state or a political subdivision, including cities, counties and school districts, revert back to simple interest plus annum law. The interest continues to be computed as simple interest per annum for all judgments of \$50,000 or less.

HF3085/SF2722\*/CH249

— M. COOK

### Updating a 1955 arbitration act

Signed  
by  
the  
governor

Revision of a five-decade old act is now in law.

Signed April 22 by Gov. Tim Pawlenty, the law makes changes to the Uniform Arbitration Act of 1955, which was adopted by 49 states, including Minnesota in 1957. The act provides procedures and standards for arbitration proceedings in certain disputes.

The Uniform Law Conference has revised the act to reflect changes in arbitration over the years. Twelve other states and the District of Columbia have adopted the updated act.

Provisions in the law include:

- additional remedies so the status quo can be maintained during the arbitration process;
- some consolidation of proceedings if they have similar issues of law;
- permitting an arbitrator to conduct the arbitration in such a manner he or she considers appropriate “so as to aid in the fair and expeditious disposition of the proceeding”;



- allowing a court to order provisional remedies during arbitration before an arbitrator is selected;
- requiring arbitrators to disclose any potential financial or other conflict;
- allowing an award to be vacated because of an arbitrator's partiality;
- arbitrators will have immunity from civil liability to the same extent as a Minnesota judge acting in a judicial capacity; and
- arbitrators can award punitive damages or other relief if an award is authorized by law in civil action involving the same claim.

Rep. Terry Morrow (DFL-St. Peter) and Sen. Mary Olson (DFL-Bemidji) sponsor the law, which takes effect Aug. 1, 2011. Morrow said the Minnesota State Bar Association and other lawyer and attorney groups support the changes.

HF1692\*/SF891/CH264

— M. COOK

## Enforcing foreign country judgments

**Signed  
by  
the  
governor**

The last time Minnesota passed an update to the Uniform Foreign-Country Money Judgments Recognition Act was 1985.

The act establishes clear and uniform standards under which state courts will enforce foreign-country money judgments that come within its scope.

Based on recommendations from the National Conference of Commissioners on Uniform State Laws, a new law, signed April 22 by Gov. Tim Pawlenty, will provide five primary changes from current law:

- clarify the relationship between the act and the Enforcement of Foreign Judgments Act because getting recognition for jurisdiction under the law is a different procedure from collecting on a judgment that has already been ordered in a foreign court;
- expressly provide that a party seeking recognition of a foreign judgment has a burden to prove that the judgment is subject to the act;
- impose the burden of proof for establishing the specific ground of non-recognition upon the party raising it;
- address the specific procedure for seeking enforcement; and
- a statute of limitations is provided to recognize a foreign-country judgment.

Rep. John Lesch (DFL-St. Paul), who sponsors the law with Sen. Ron Latz (DFL-St. Louis Park), said the update is "a critical step" towards updating state laws for the 21st century, which has changed because of the global economy. The law takes effect Aug. 1, 2010.

HF776\*/SF612/CH263

— M. COOK

## LOCAL GOVERNMENT

### Impact note requests

The chairs and ranking minority members of the House Finance and Ways and Means committees could be added to the list of people who can request local fiscal impact notes for proposed legislation.

Sponsored by Rep. Steve Simon (DFL-St. Louis Park), HF3748 was approved April 20 by the House State Government Finance Division and sent to the House Finance Committee.

Currently, the chair and ranking minority members of the House Taxes Committee have the ability to request fiscal notes. Simon said it's not only tax bills that cost money and have impact on local communities.

Minnesota Management & Budget coordinates the development of fiscal notes and calculates the impact on each type of political subdivision that would result from the proposed legislation.

A companion, SF3325, sponsored by Sen. Ron Latz (DFL-St. Louis Park), awaits action by the full Senate.

— P. OSTBERG

## MILITARY

### Veterans of Foreign Wars Day

**Signed  
by  
the  
governor**

A new law designates May 28 as Veterans of Foreign Wars Day in Minnesota.

Sponsored by Rep. Jerry Newton (DFL-Coon Rapids) and Sen. Lisa Fobbe (DFL-

Zimmerman), the law recognizes May 28 because it is the same day the Veterans of Foreign Wars was founded in 1899. The group was federally chartered by Congress on May 28, 1936.

Signed April 15 by Gov. Tim Pawlenty, the law takes effect July 1, 2010.

HF2674/SF2475\*/CH244

— P. OSTBERG

## SAFETY

### Ice arena air bill revised

A revised proposal on how to ensure safe air quality in Minnesota's indoor ice arenas is gaining little headway with arena managers.

Rep. Rick Hansen (DFL-South St. Paul) sponsors HF3512, which would set new licensing, equipment and air monitoring standards for arenas and their operators. Hansen introduced the bill after one of his constituents, a longtime figure skater, was diagnosed with chronic carbon monoxide poisoning, a condition she attributed to

emissions from ice maintenance equipment.

Under the bill, arenas would need to be licensed by the Department of Health beginning in 2011, with lower licensing fees for arenas using electric ice maintenance equipment. A certified arena operator would need to be on the premises whenever an arena is open, and non-electric equipment without a three-way catalytic converter or equivalent device would be prohibited. By 2015, arenas would need to exclusively use electric equipment, contain a continuous air monitoring device or meet criteria for an exemption from the department.

The issue has been marked by high emotions on all sides, similar to past debates on pool and bleacher safety, Hansen told the House Cultural and Outdoor Resources Finance Division April 21.

"They're all new things that people didn't think about and we just took for granted, but ... we did come to some ways of dealing with things differently," he said.

The Minnesota Amateur Sports Commission would prefer the department finish its rulemaking on air quality standards before lawmakers take action of the topic, said Joel Carlson, a member of the MASC board. The department began reviewing its 1977 standard before Hansen's bill was introduced.

Division members did not take any action on the bill, but may revisit it next week. A companion, SF3175, sponsored by Sen. Ellen Anderson (DFL-St. Paul), was laid over by the Senate Health and Human Services Budget Division April 13.

— L. RADOMSKI

### Getting a post-sentence DNA sample

**Signed  
by  
the  
governor**

A judge will be given permission to order an offender who did not submit a required DNA sample to provide one even if the offender's sentence has expired.

Sponsored by Rep. Karla Bigham (DFL-Cottage Grove) and Sen. Linda Scheid (DFL-Brooklyn Park), the new law is designed to correct a technical glitch that sometimes occurs when an offender convicted of a felony is supposed to provide a DNA sample. Signed April 22 by Gov. Tim Pawlenty, it takes effect Aug. 1, 2010.

Since 2005, all convicted adult felons, adjudicated juvenile felons and felon offenders transferred into Minnesota from another state must provide a DNA sample for testing. If the court doesn't order it, the probation department is supposed to collect a sample. However, if no one makes the order, there is no current remedy to get a sample.

David Brown, an assistant Hennepin



## HISTORIC CONSERVATION



PHOTO BY ANDREW VONBANK

**Thomas Braun, objects conservator with the Minnesota Historical Society, uses a solution of sodium lauryl sulfate April 20 to remove years of corrosion from an historic bronze flag case in the Capitol Rotunda. He is working on a battle flag conservation project and new flag exhibit.**

County attorney, told a House division that an estimated 10 percent to 20 percent of offenders do not provide the required sample. Bigham said Wisconsin does this, and it has led to the solving of some cold cases.

The order to show cause shall direct the offender to appear before the court within 30 days, unless a specimen is provided. Upon the offender's appearance, the court may issue an order directing the offender to provide the specimen. If an offender fails to provide

a specimen or appear in court, an order requiring the offender to submit a specimen within 30 days at a designated location can be issued, and a peace officer would be authorized to detain and bring the offender before the court to show cause why the specimen should not be produced.

The sample will be provided through a painless cheek swab.

HF3447/SF3116\*/CH256

— M. COOK

## Medical exam record conformity

**Signed  
by  
the  
governor**

In order to align state statute to federal motor carrier safety laws, a new law regulates commercial drivers and their medical exam requirements.

Sponsored by Rep. Mary Liz Holberg (R-Lakeville) and Sen. Rick Olseen (DFL-Harris), and signed by Gov. Tim Pawlenty April 15, the law will allow the Department of Public Safety to issue commercial class driver's licenses on behalf of the federal government for interstate commerce. License applicants subject to a federal requirement for a medical exam will be expected to submit medical certificates or medical waivers to the department, which will retain the records for three years.

Most of the law takes effect Aug. 1, 2011.

HF3420/SF3091\*/CH242

— S. HEGARTY

## Firefighter background checks

**Signed  
by  
the  
governor**

Fire departments will be permitted to run criminal background checks on current employees no more than once per year.

A new law, effective Aug. 1, 2010, aims to ensure that, in addition to being properly trained, responding emergency personnel are upstanding citizens. It was signed April 22 by Gov. Tim Pawlenty.

Rep. John Lesch (DFL-St. Paul), who sponsors the law with Sen. Don Betzold (DFL-Fridley), said the law was brought to him by a fire chief who, upon discovery that one of his employees had been indicted for arson, found out he couldn't do a criminal background check on his employees. Now, background checks can only be run on applicants.

The information would be considered private data, and handled as any other such data.

HF3130/SF2363\*/CH259

— M. COOK

## Tougher penalty for guns at school

**Signed  
by  
the  
governor**

Judges will have more options in sentencing someone who brings a firearm to a place of learning.

Sponsored by Rep. Sandra Peterson (DFL-New Hope) and Sen. Ann Rest (DFL-New Hope), a new law will increase the maximum penalty for knowingly possessing, storing or keeping a firearm on school grounds from two years imprisonment and a \$5,000 fine to five years imprisonment and a \$10,000 fine. Peterson noted the current maximum penalty for bringing a gun to a courthouse or library is

already five years behind bars.

Signed April 22 by Gov. Tim Pawlenty, the law takes effect Aug. 1, 2010.

It also decreases to a gross misdemeanor the penalty if someone “uses or brandishes a replica firearm or a BB gun while knowingly on school property,” and decreases the penalty for possessing, storing or keeping a replica firearm or BB gun on school property from a gross misdemeanor to a misdemeanor.

Opponents expressed concern that a student who inadvertently leaves a gun or hunting knife in their trunk could face these penalties.

This law just allows for tougher sentences, Peterson said, rather than “a slap on the wrist” for students with intent to do bodily harm.

HF3423/SF2339\*/CH268

— M. Cook

### Predatory offender registration

**Signed  
by  
the  
governor**

Two changes have been made to the state’s predatory offender registration law.

Effective July 1, 2010, predatory offenders will be prohibited from listing homeless shelters as their primary or secondary address. This will prevent homeless predatory offenders from avoiding registration requirements placed on those who do not have a primary or secondary address. Under current law, if an offender registers as homeless, they are required to check in weekly with local law enforcement; however, by using the shelter as a primary or secondary residence, the offender does not need to check in weekly, even if they are not staying at the shelter.

Effective April 16, 2010, the law clarifies that an offender’s duty to register is reactivated when the person returns to the state after having lived outside Minnesota if the offender’s registration period has not expired. This came as a request of the Bureau of Criminal Apprehension to reinforce current law that the state suspends, not terminates, registration requirements if an offender begins living in another state.

There are no additional costs to adopt the changes.

Rep. Karla Bigham (DFL-Cottage Grove) and Sen. Linda Scheid (DFL-Brooklyn Park) sponsor the law.

HF3174\*/SF2862/CH251

— M. Cook

### Social host liability held over

Knowingly letting a minor consume alcohol could be more costly.

Under current law, it is a misdemeanor for a person at least age 21 to knowingly furnish or permit alcoholic beverage consumption

that results in the intoxication of an underage person.

“I used in this bill existing statute language,” said Rep. Dean Urdahl (R-Grove City), the sponsor of HF3637. “The only change is that it goes from a misdemeanor to a gross misdemeanor.” A gross misdemeanor carries a maximum penalty of one year’s imprisonment and a \$3,000 fine.

The House Public Safety Policy and Oversight Committee laid the bill over April 15, although Rep. Debra Hilstrom (DFL-Brooklyn Center), the committee chairwoman, acknowledged that Urdahl would try to amend it onto a different bill on the House floor.

A companion, SF2965, sponsored by Sen. Amy Koch (R-Buffero), awaits action by the Senate Judiciary Committee.

Urdahl said that law enforcement believes a larger penalty is a deterrent.

“We do have laws that establish penalties for underage drinking, but with the advent of the problem continuing to increase, they don’t seem to be having the desired effect,” he said.

Rep. Karla Bigham (DFL-Cottage Grove) said a number of local ordinances already exist, and wondered if the issue is best addressed at that level.

“I don’t discourage local ordinances, but it then becomes a patchwork, and I think this should be a standard across the state,” Urdahl countered.

Although, he “basically supports” the bill’s intent, Rep. Michael Paymar (DFL-St. Paul) said the Legislature has not done a very good job of reviewing the collateral consequences of what a gross misdemeanor means on someone’s record, as has been done with felonies. “I’ve heard stories of people being denied employment for a gross misdemeanor, when I always thought it was felony convictions,” said Paymar, chairman of the House Public Safety Finance Division, and who acknowledged he has supported increasing some criminal penalties to gross misdemeanors. “At some point I hope one of our committees examines that.”

— M. Cook

## STATE GOVERNMENT

### Collaborative governance council

A council to increase collaboration between all levels of government would be created under a bill passed 108-22 by the House April 21.

Sponsored by Rep. Marsha Swails (DFL-Woodbury), HF2840/SF2511\* would create a 14-member council to develop

recommendations to increase governmental collaboration by:

- reviewing laws and rules that slow collaboration efforts;
- using technology to connect entities and share information;
- modernizing financial transactions and facilitating credit and debit card transactions, electronic funds, transfers and electronic data interchanges; and
- creating model forms for joint power agreements.

Swails said she traveled the state with Rep. Carol McFarlane (R-White Bear Lake) and met with several service cooperatives that work with school districts in Greater Minnesota. They also visited with superintendents, counties, city and township officials and asked, “What are the obstacles that keep schools, counties, cities and towns from shared services or collaborating?”

Rep. Greg Davids (R-Preston) said he hopes the council will understand its mission because many commissions fail in this regard.

Because the House language was amended to the Senate file, the bill returns to the Senate where Sen. Ann Rest (DFL-New Hope) is the sponsor. The Senate passed its version 62-2 April 12.

— P. OSTBERG

### Juneteenth recognition

**Signed  
by  
the  
governor**

The third Saturday in June is designated as Juneteenth in recognition of the historical pronouncement of the abolition of slavery on June 19, 1865.

Sponsored by Rep. Bobby Joe Champion (DFL-Mpls) and Sen. Linda Higgins (DFL-Mpls), the new law “creates an opportunity for the governor to issue a proclamation,” Champion said.

Juneteenth marks the day the Emancipation Proclamation was read for the first time publicly in Texas. The announcement came two and a half years after President Lincoln’s Emancipation Proclamation and two months after Gen. Robert E. Lee’s surrender in April 1865.

Under the law, the governor’s proclamation can include “honoring this observance and recognizing the important contributions African-Americans have made in Minnesota’s communities, culture, and economy.”

Signed April 15 by Gov. Tim Pawlenty, the law is effective April 16, 2010.

HF2928/SF2580\*/CH245

— P. OSTBERG

If you have Internet access, visit the Legislature’s Web page at: [www.leg.mn](http://www.leg.mn)



## TAXES

### Income reciprocity study sought

Beginning in 1967, Minnesotans and Wisconsin residents crossing the border for work had the convenience of filing their tax return in only one state. That changed in September 2009 when Minnesota failed to reach an agreement with Wisconsin to accelerate the timelines of compensatory payments.

Sponsored by Rep. Roger Reinert (DFL-Duluth), HF3370 calls for a study by the Minnesota and Wisconsin revenue departments to determine how many residents of each state earn income in the other state.

"This would be the first step at restoring reciprocity between the states," Reinert told the House Taxes Committee, which held the bill over April 19 for possible omnibus bill inclusion. He said it's a "big issue" for border communities with nearly 80,000 people crossing the borders for work.

Among the issues creating the ill will between the states are:

- a nearly 23 month lag-time between Wisconsin reimbursing Minnesota for the state's tax loss;
- the interest rate Minnesota was charging Wisconsin for the delay; and
- the need for a benchmark study to determine the number of workers crossing the borders and who owed money to whom.

"You can imagine that Wisconsin was the net gainer in the reciprocity agreement because we have all the population centers on the Minnesota side of the border, and Wisconsin residents come over," Reinert said.

The study would also determine the amount of tax revenue that would be foregone by each state if a reciprocity arrangement were resumed and taxpayers were required to pay taxes on the income only in their state of residence.

Information would mostly be garnered from each state's income tax returns for tax year 2010. A report would be due to the governor and Legislature by March 1, 2011.

Similar legislation regarding reinstituting reciprocity is moving through the Wisconsin legislature.

Besides Wisconsin, Minnesota has reciprocity agreements with Michigan and North Dakota. However, Revenue Commissioner Ward Einess said the issue is greater with Wisconsin because of the number of people involved.

A companion, SF3017, sponsored by Sen. Kathy Saltzman (DFL-Woodbury), was laid over March 11 by the Senate Taxes Committee for possible omnibus bill inclusion.

— L. SCHUTZ



PHOTO BY TOM OLMSCHIED

During an April 19 House Taxes Committee meeting, Revenue Commissioner Ward Einess, left, and Rep. Roger Reinert listen to Rep. Laura Brod ask a question about requiring the Department of Revenue to conduct a study on income tax reciprocity with Wisconsin.

## TOURISM

### Explore Minnesota changes

Signed  
by  
the  
governor

Technical changes to the Explore Minnesota Tourism Council are made under a new law signed April 15 by Gov. Tim Pawlenty.

Sponsored by Rep. Bud Nornes (R-Fergus Falls) and Sen. Mary Olson (DFL-Bemidji), the law removes the reference of "four" from the tourism marketing regions of the state that have representatives on the council.

John Edman, director of Explore Minnesota Tourism, said the change is merely a housekeeping bill. When the council was created it had four regions, now it's expanded to five regions, he said.

The law takes effect Aug. 1, 2010.

HF3143\*/SF3013/CH252

— P. OSTBERG

## TRANSPORTATION

### Complete streets proposal passes

Imagine streets that take into account the needs of motorists, cyclists, pedestrians and even people with special needs. Rep. Mike Obermueller (DFL-Eagan) sponsors HF2801 that would put the "Complete Streets" concept into first gear. However, some members are concerned the idea may evolve into a state mandate on local governments.

The bill, passed 92-37 by the House

April 21, would move the state toward a policy that would, during the design phase of any state-aid funded road project, take into consideration the impact the roadway would have on the people who use it, and the impact on the areas that it passes through.

"This is good policy, and it means that local governments will have greater say" in the design of their roads, Obermueller said. "There is a real problem where state government gets in the way of local decisions."

The bill calls for the Department of Transportation to develop and implement a policy of a system that takes into consideration all modes of transportation.

"There are a lot of different people who interact with our roads. Certainly there's cars ... we have transit issues, and we have a lot of people who interact with our roads in terms of riding a bike, trying to cross a road if you are senior, or a kid," Obermueller said. He stressed that this would not be a mandate for local governments, but it would be for MnDOT.

However, several Republicans disagreed.

"We need to be honest about the funding for this program," said Rep. Steve Gottwalt (R-St. Cloud). "It's voluntary now, it's maybe mandatory later. The only place the money is coming from is the motor vehicle taxes. There is no way to fund the added infrastructure that may be required through the bill. Local communities can decide for themselves how to make their communities more bicycle and pedestrian friendly."

The bill now moves to the Senate where Sen. Tony Lourey (DFL-Kerrick) is its sponsor.

— L. SCHUTZ



## SPRING CLEANING



PHOTO BY TOM OLMSCHIED

Conservator Rob Jensen applies gold leaf to a wheel of "The Progress of the State" during his annual restoration of the Quadriga April 16. Created by sculptor Daniel Chester French, the artwork, also known as the "Golden Horses," has been over the main entry to the Capitol since 1906, except when it was restored in 1994-95.

### Fee bumps could help highway fund

Some proposed fee changes could net the state's trunk highway fund \$22,120.

Sponsored by Rep. Melissa Hortman (DFL-Brooklyn Park) and Sen. Rod Skoe (DFL-Clearbrook), HF3029/SF2846\* would make technical changes to the transportation statutes as they relate to vehicle weights and measures. Some fee structures would change accordingly.

Approved 67-0 by the Senate March 29; the House Ways and Means Committee incorporated the House language before approving the bill April 13. The full House approved the amended bill 130-3 April 19, but the Senate refused to concur with the House changes. A conference committee has been requested to work out the differences.

Under the amended bill, the current annual permit fee of \$24 for implements of husbandry would be eliminated and would instead be subject to the oversize annual permit fee of \$1,120. According to the Revenue Department, 245 permits were issued in 2009.

The current \$850 annual permit fee for

special two-unit vehicles would decrease to \$300 for up to 90,000-pound vehicle combinations and \$500 for up to 97,000-pound vehicle combinations.

— L. SCHUTZ

### Funds from roads to rails

More money could be available to improve the state's rail crossings.

Sponsored by Rep. Melissa Hortman (DFL-Brooklyn Park), HF2848 would decrease the amount of funding going into the trunk highway fund by \$400,000 to boost the Minnesota grade rail crossing safety account from \$600,000 to \$1 million during each fiscal year.

The money comes from a portion of fines collected from people apprehended or arrested by the State Patrol and forfeited bail money.

"It's a revenue-neutral way to get funding for rural railroad crossings," Hortman said.

There is an approximate \$10 million need to improve at-grade railroad crossings around the state, she said, but only \$2.5 million was allocated in the 2010 capital investment law for that purpose.

Passed 131-0 by the House April 21, the bill now goes to the Senate, where Sen. Steve Murphy (DFL-Red Wing) is the sponsor.

— L. SCHUTZ

### Fleet redefined to conform to IRP

**Signed  
by  
the  
governor**

To conform to the International Registration Plan for commercial motor vehicles, a new law redefines a "fleet" as one or more vehicles.

The law pertains to a reciprocity registration agreement between states and Canadian provinces and will reduce duplication of paperwork, according to Rep. Frank Hornstein (DFL-Mpls), who sponsors the law with Sen. Rick Olseen (DFL-Harris).

Gov. Tim Pawlenty signed the law April 15. It takes effect Aug. 1, 2010.

HF3460\*/SF3090/CH253

— S. HEGARTY

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## UNDER THE HOOD



PHOTO BY TOM OLMSCHIED

Butch Pream shows off a pair of Stromberg 97 carburetors with chrome air filters that sit atop the V8 engine of his 1953 Ford Sedan Delivery. His restored hot rod was part of the annual Minnesota Street Rod Association Run to the Hill April 20.

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**Commerce** ..... 651-296-4026  
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Economic Development**..... 651-259-7114  
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**Explore Minnesota Tourism**..... 651-757-1845  
800-657-3535  
**Health**..... 651-201-5000  
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**Higher Education Services**..... 651-642-0567  
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**Human Rights** ..... 651-296-5663  
800-657-3704  
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**Revenue**..... 651-296-3403  
**Transportation**..... 651-296-3000  
800-657-3774  
**Veterans Affairs**..... 651-296-2562



# A lesson through art

Murals provide historical look at role of military branches

By PATTY OSTBERG

**W**hen veterans are laid to rest at the Minnesota State Veterans Cemetery in Little Falls their caskets pass through the committal hall

As a tribute and honor, the Minnesota State Veterans Cemetery Memorial Association initiated a project that will create five military themed 8 foot by 10 foot oil canvases for display in the hall. Each canvas will depict a military branch's history on a mural: Army, Navy, Air Force, Marine Corps and the Coast Guard. Merchant Marines will also be honored for their services during World War II.

Charles Gilbert Kapsner, the designer and painter for the Veterans Educational Historic Project, presented the proposed murals to the House Agriculture, Rural Economies and Veterans Affairs Committee April 15.

Kapsner said he was approached by former Rep. Gordon Gerling to create a fresco

painting for the hall. But a fresco would have required reconstruction of the walls and use of certain building materials to accommodate the environment needed to maintain a fresco. Instead, Kapsner suggested individual murals — and so the project began.

As Kapsner spent time at the cemetery, he began to envision the intertwining of each branch and the history of the United States, he said. Visitors will see the branches having had more influence at certain times and how man's history and his influence can be a part of what we're doing today. Each mural will represent the past, present and future and depict one person looking out into the audience.

The goal is to "pay tribute to the men and

women of the military who have served throughout our long history, but also to talk about history," Kapsner said.

Gerling, said the memorial would serve as an "educational tool to help further generations understand our history and the vital role our military has played in the creation and preservation of our democracy."

He plans to develop graphite drawings to be projected onto a canvas to begin the painting process. Live models pose in replica military uniforms to help him bring life to the canvas, he said.

Those interested can visit [www.buonfresco.com](http://www.buonfresco.com) to view the graphite drawings as they move through the creative process and watch the scenes develop.

---

***"This memorial will be unique. Not only will the magnificent paintings by renowned artist Charles Kapsner honor each of our military services, but they will serve as an inspiration to all Americans of the sacrifices paid by all who have served our country in the military in sustaining our freedom and democracy."***

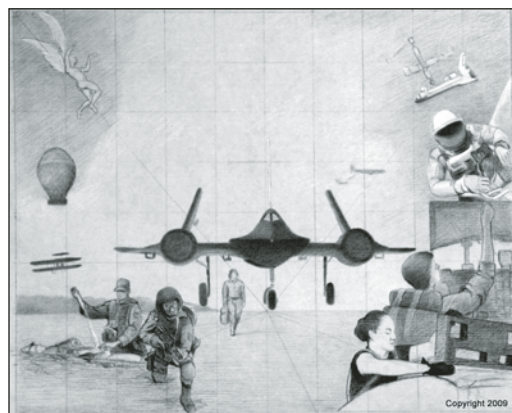
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— Retired Rear Adm.  
Henry C. McKinney  
former president,  
United States Navy  
Memorial Foundation

---



The Army tribute includes figures depicting scenes from the War of 1812, Mexican-American War and the Civil War. The figure sitting in the bottom left corner represents current veterans and how some have struggled with alcohol and drug abuse. Kapsner asked, "Is he turning his back on us, or have we turned our back on him?"



The Air Force tribute is motivated by man's intrigue by flight, Kapsner said.



Depicted in the Coast Guard of Minnesota's Split Rock Lighthouse and soldiers protect



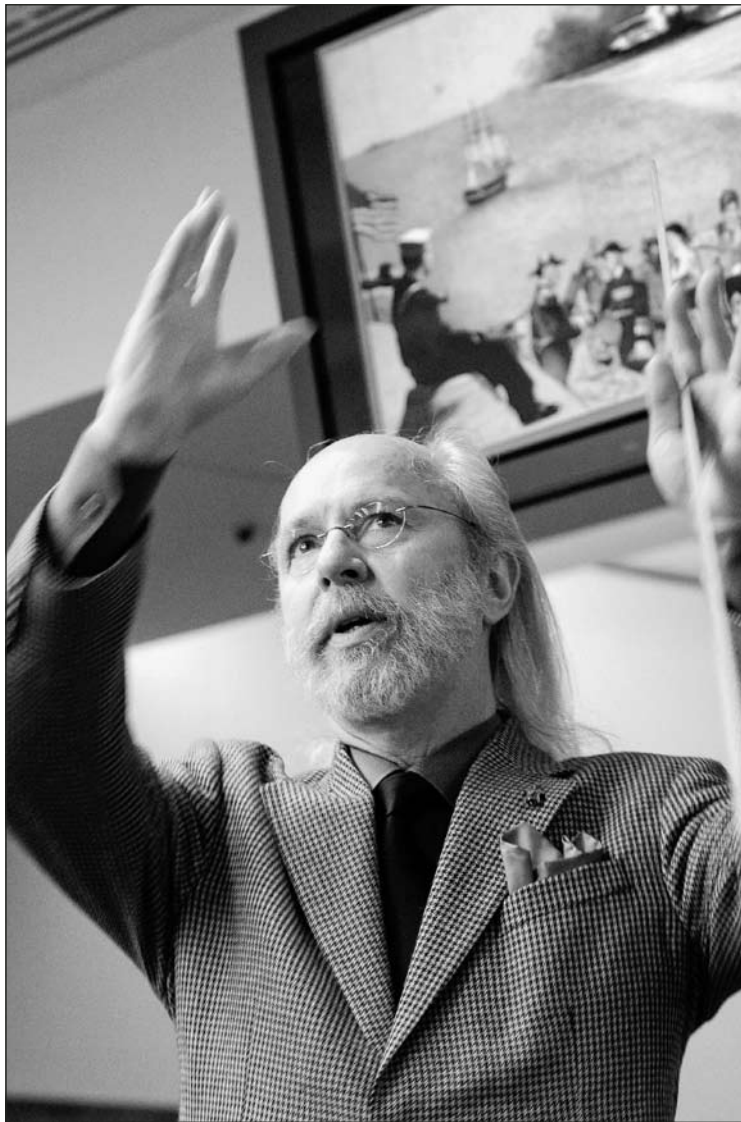


PHOTO BY ANDREW VONBANK

**Little Falls artist Charles Kapsner shows the House Agriculture, Rural Economies and Veterans Affairs Committee April 15 his sketches for a mural depicting the history of the Army, Navy, Air Force, Marine Corps and Coast Guard to be created at the Minnesota State Veterans Cemetery in Little Falls.**

Gerling, art committee chairman for the association, said they are looking to veteran's organizations, corporations, foundations and individuals to help fund the \$485,000 project.

There are two veteran cemeteries in Minnesota, Fort Snelling National Cemetery in Minneapolis and the Little Falls cemetery, which is considered a state veterans cemetery. David Swantek, director of the Little Falls cemetery, said that the Department of Veterans Affairs has considered adding three cemetery locations: near Duluth, Redwood County and Fillmore County.

The federal government helps states fund new cemeteries by providing 100 percent of the construction costs, plus the initial basic equipment for operations. The state is responsible for purchasing the land and the long-term annual operational costs. Swantek said the department has evaluated donated land, but has been unsuccessful in finding sufficient geology for a cemetery. For instance, one parcel of land in southern Minnesota was too close to a water table and irrigation canal, making the soil insufficient for burials.

The National Cemetery Administration uses a 75-mile radius to determine an area with the most need. For example, placing a cemetery in Redwood Falls would serve 14 counties and 22,798 veterans.

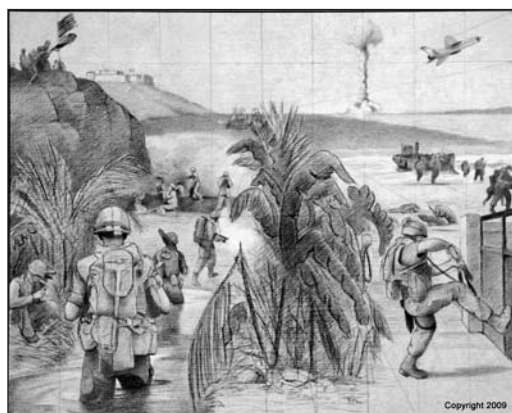
Sponsored by Rep. Al Juhnke (DFL-Willmar), HF2678 would instruct the Department of Veterans Affairs to determine three sites suitable for new veteran's cemeteries. The cemeteries would be located in southwestern Minnesota, northeastern Minnesota and one at Fort Ridgely State Park near Fairfax. It awaits action by the full House.

A companion, sponsored by Sen. Dan Skogen (DFL-Hewitt), which does not include the cemetery language, was passed 66-0 by the Senate April 19.

Photos courtesy of Charles Kapsner



**ard tribute are sketches  
k Lighthouse, Alexander  
ctecting the coast.**



**The Marine Corps started out working with the Navy, Kapsner said.**



**Kapsner's starting point in depicting the Navy of Midway. In the bottom right a soldier is shown returning home to his daughter.**

# Revisiting GAMC

Program participation questionable, hospitals favor earlier federal reform

BY LAUREN RADOMSKI

**L**ess than a month after legislators and the governor agreed on a new way to provide medical services to Minnesota's poor, the state is faced with yet another major health care dilemma: implement a version of General Assistance Medical Care that some hospitals are rejecting, or scrap the hard-wrought compromise in favor of a federal solution that carries a \$1 billion cost.

Hanging in the balance are tens of thousands of low-income Minnesotans, many of whom struggle with mental illness, homelessness or both. As a group, they can't manage the premiums and paperwork required of most state health care programs, and they make costly emergency room visits their first point of care.

The state's decision also has implications for other patients, who could see their costs rise as hospitals choose to forgo state funding that has strings attached. Hospital officials from around the state say they will not participate in the revised GAMC program that requires significant service and administrative changes to treat an unknown number of patients for low reimbursement.

They favor an alternate solution made possible by the federal health care law: enrolling GAMC participants and other low-income adults in the state's Medicaid program. This so-called "early option" is essentially a jump on what will happen in 2014, when the GAMC population will be covered under a federal expansion of Medicaid. If state officials decide to pursue the early option, more Minnesotans would be served under Medicaid over the next three years at an estimated cost of \$2 billion, half of which would need to come from the state.

The prospect of a federal solution to the GAMC issue was an unknown as legislators began to meet on the topic last year. "We did...the best job that we could under the circumstances, trying to solve a problem that the Legislature in Minnesota believed we should solve," said Rep. Erin Murphy (DFL-St. Paul), who sponsored the GAMC law.

Under the law, low-income, childless adults will continue to receive access to basic medical services through partnerships of hospitals and clinics — dubbed "coordinated care delivery systems" — reimbursed at reduced rates. The 17 hospitals serving 80 percent of the GAMC population may implement this model as soon as June, while hospitals with smaller numbers of GAMC patients may receive temporary funding as they decide whether to form similar delivery systems.

Legislators acknowledged the law was imperfect at the time of its passage, but what they didn't expect was that several major hospitals statewide would choose not

to participate in the new service model. At a meeting of the House Health Care and Human Services Finance Division April 15, some hospital officials said they would rather draw from the temporary funding pool than use larger but insufficient payments to operate under the new GAMC program.

"In essence, we're asked to function as an insurance company," said Jerome Crest, chief administrative officer at Immanuel St. Joseph's Hospital in Mankato. Under the new program, hospitals are asked to take on the total risk of providing care for any GAMC patients assigned to their facilities, Crest said. Those assignments, determined by the Department of Human Services, will not be available until after the April 30 deadline for hospitals to opt in or out.

"As I raised my children, when they had to know right now, the answer was 'no,'" said James Davis, vice president of operations for CentraCare Health System, which runs St. Cloud Hospital. CentraCare officials said the St. Cloud facility would be responsible for treating all GAMC patients in central Minnesota, what Davis called "unlimited liability for unlimited and undefined numbers."

In the Twin Cities metropolitan area, officials from Hennepin County Medical Center announced that their facility will not take part in the new program. Neither will Mercy, United or Abbott Northwestern hospitals, though Dr. Penny Wheeler,

chief clinical officer with Allina Hospitals and Clinics, said leadership will continue to evaluate how the coordinated care model could work in the future.

The Department of Human Services has not released the names of the hospitals that are still considering participation in the new program.

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***"We did ... the best job that we could under the circumstances, trying to solve a problem that the Legislature in Minnesota believed we should solve."***

---

Rep. Erin Murphy  
(DFL-St. Paul)

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PHOTO BY ANDREW VONBANK

It was standing room only during an April 6 joint meeting of the House Commerce and Labor Committee, House Health Care and Human Services Policy and Oversight Committee and House Health Care and Human Services Finance Division. Officials from the departments of health, human services and commerce were on-hand to explain when provisions in the federal health care reform law will take effect.

Hospital officials reiterated that their facilities will continue to treat everyone who shows up needing care. But in the long term, Crest predicts hospitals will either reach the same dire financial straits facing some nursing homes or shift costs on to patients.

The feedback left some division members frustrated. Rep. Jim Abeler (R-Anoka) said he was hoping to hear specific suggestions on how the GAMC law could be better.

"There are gaps in the law. It happened quick and when those kinds of things happen, you've got to make tweaks," he said, adding he hopes the Legislature could make several "tweaks" to the law before the end of session.

### Defining reform

Division Chairman Rep. Thomas Huntley (DFL-Duluth) favors a different solution: take up the early federal option so that members of the GAMC population are covered by Medicaid.

He sponsors HF3713, which would expand eligibility for Medical Assistance, the state's Medicaid program, to certain poor, childless adults beginning next year. Huntley proposes to pay for the \$1 billion state match by using the

money that otherwise would have gone toward caring for the GAMC population, as well as drawing down the Health Care Access Fund, which helps low-income workers purchase insurance. Under Huntley's bill, transfers from the General Fund would keep the projected deficit in the HCAF from growing beyond the \$409 million expected in fiscal year 2013 under current law. The bill would also repeal parts of the GAMC law so that the program would cease to exist.

Critics are skeptical of the state's ability to pony-up \$1 billion and wary of a federal effort they claim lacks sustainability and cost containment. Some are also protective of opportunities for Minnesota to implement reforms of its own, including components of the new GAMC program.

"It's just a little bit unfortunate that because

of the lure of federal dollars out there that we're seeing a sudden retreat away from what I think would be a very good Minnesota-centered solution," said Rep. Matt Dean (R-Dellwood).

Rep. Steve Gottwalt (R-St. Cloud) echoed similar sentiments.

---

***"It's just a little bit unfortunate that because of the lure of federal dollars out there that we're seeing a sudden retreat away from what I think would be a very good Minnesota-centered solution."***

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— Rep. Matt Dean  
(R-Dellwood)

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"We have got to start finding different ways of delivering care to people who need it, in this state and across this country, and simply moving people on to Medical Assistance doesn't get it done," he said.

A companion, SF3310, sponsored by Sen. Linda Berglin (DFL-Mpls), awaits action by the Senate Health and Human Services Budget Division.

### Frequently called numbers

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#### House Public Information Services

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#### Chief Clerk of the House

211 Capitol ..... 296-2314

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#### Secretary of the Senate

231 Capitol ..... 296-2344

Voice mail/order bills ..... 296-2343

#### Senate Index

110 Capitol ..... 296-2887

#### Meeting Hotline, Senate

231 Capitol ..... 296-8088



# A distress call for SOS?

State Operated Services plans programmatic redesign, amidst criticism

BY LAUREN RADOMSKI

**F**aced with a \$17 million budget deficit, officials with the Department of Human Services are proposing major changes to programs for people with disabilities and mental health concerns. A handful of lawmakers are hoping to stop them.

State Operated Services is the DHS division that runs campus and community-based programs serving Minnesotans with mental illness, developmental disabilities, chemical dependency and traumatic brain injury, as well as people who pose a risk to society. Last year, the Legislature directed SOS to redesign operations at the Anoka-Metro Regional Treatment Center and the Cambridge-based Minnesota Extended Treatment Options program. A caveat: No layoffs could occur as a result of the restructuring.

In a report released last month, SOS officials took their instructions several steps further and recommended significant changes throughout the division. These include closing or transforming current treatment facilities, opening new psychiatric care centers and eliminating upwards of 200 staff positions.

"We are presenting a report and a plan here that says, 'This is how we're solving a \$17 million budget deficit,' yet there's also a visioning and a redesign process occurring," said Dr. L. Read Sulik, assistant commissioner for the department's Chemical and Mental Health Services.

Calling the proposal "a clear indication the DHS is side-stepping the state Legislature," Rep. Paul Thissen (DFL-Mpls) said he will offer an amendment to the forthcoming omnibus health and human services budget bill that would prohibit the SOS redesign from proceeding without legislative approval. Sen. Linda Berglin (DFL-Mpls), who chairs the

Senate Health and Human Services Budget Division, has said she will include funding in her budget bill to stop or delay some of the proposed closures.

### New service models

According to the SOS report, changes under the redesign would take place in three phases, with the first phase occurring over the next 15 months. During that time, SOS would close a psychiatric crisis center in Mankato and five dental clinics serving people with developmental disabilities. An adult mental health center in Eveleth would also close, to be replaced with an adult transitional foster care facility at an unspecified location in northeastern Minnesota. Other facilities, including community behavioral health hospitals in Wadena and Willmar and the Anoka-Metro Regional Treatment Center, would also see their services modified.

Over the long term, SOS plans to partner with community-based hospitals, clinics and mental health centers to create regional psychiatric care centers. Some of these new facilities would serve Minnesotans with immediate mental health needs, while others would provide care at a lower urgency level.

According to the report, the redesign reflects not only budget pressures, but findings that SOS inpatient beds were being "inappropriately utilized or underutilized because of a lack of appropriate placement

alternatives," resulting in some people staying in SOS facilities longer than medically necessary.

"We believe, after this entire process, that we can spend less money and improve the care, but it is going to ... take a totally different way of doing things," Sulik said.

Providers and mental health advocates who testified before the House Health Care and Human Services Policy and Oversight Committee in March said they were troubled by the lack of detail in the SOS proposal. The plan hinges on an unprecedented level of collaboration with non-state services, which is described only generally in the redesign's second and third phases.

Furthermore, the lack of funding facing county and community-based services "leaves a moon-like landscape on which to land this initiative," said Mark McAfee, who represents AFSCME Council 5. "Partners need money to collaborate and that will not be easy to come by."

Some critics also accuse SOS of ignoring input from employees and other stakeholders, despite a series of regional meetings on the topic last fall and early this year. Rep. John Ward (DFL-Brainerd) said none of the concerns he heard at a meeting in his district are represented in the proposal. Ed Eide, director of the Mental Health Association of Minnesota, echoed similar sentiments.

"Throughout the state, people feel like their ideas were not listened to and decisions had already been made concerning cuts to services," he said.

### Changes for patients

Providers say they are most concerned about what the changes could mean for patients. Linda Rossow is a psychiatric nurse in Mankato, where the South Central Crisis Center helps divert patients from the local hospital. She is critical of SOS's proposal to close the crisis center and send patients to a community behavioral health hospital

**Human Services continued on page 23**

# Time for a change

Bigham takes a break from the House, but not from public service

**Editor's Note:** As the 2010 session winds down, several members have announced their intentions to leave the Minnesota House of Representatives for new adventures. They leave a legacy of service that will remain part of legislative history.

By Nick Busse

Some lawmakers decide not to run for re-election because they just know, for them, it is the right time to step aside. That's the case with Rep. Karla Bigham (DFL-Cottage Grove), who announced early in session that she would not be running again.

"It's just a good time in my life to make some changes," she said.

Bigham, 31, started early in politics, winning a seat on the Cottage Grove City Council at the age of 25. Two years later she made a successful run for state representative, ultimately winning two terms. She has also chaired the Cottage Grove Public Safety, Health, and Welfare Commission.

Having spent the majority of her post-college life in elected office, Bigham is proud of her service, but said she's missed out on a few things because of it.

"You put some things on hold that the average person who's not running for office would probably have gone through," she said.

Bigham, who is leaving behind a legacy of public safety legislation, works as a paralegal in the property crimes division of the Hennepin County Attorney's office. She plans to pursue a law degree, and is in the process of applying to several law schools.

In 2009, she successfully sponsored a measure that banned sexual predators from using online services like Facebook and MySpace, and from using mobile phones and

other devices to sexually solicit children. A year earlier, she was able to get legislation enacted that required background checks for coaches at K-12 schools.

Bigham points to her work on protecting children from sexual predators as among her most important accomplishments.

"A lot of the public safety initiatives I've been proud, over the last four years here, to be part of," she said.

If all goes according to plan, she will cap off her career at the House with passage of a bill that would require convicted drunken drivers to install ignition interlock devices in

their vehicles that prevent them from driving while intoxicated.

"That, I think, will be a major step in the right direction to keep our streets safe from drunk drivers," she said.

Bigham, who arrived with the 2006 electoral wave that restored DFLers to power in the House, said she and her colleagues have passed a lot of other important legislation, especially in the area of clean energy.

"We've done a lot of energy and environmental policy that is nation-leading that I'm very proud of," she said.

Bigham said she remains committed to her community. She has deep roots in Cottage Grove, having been born and raised there, and plans keep active in local organizations.

"You don't have to be an elected official to make a difference, and I plan on continuing to stay involved, especially at a local level," she said.

Bigham said she'll miss the ability to respond to her constituents' needs, whether it's helping someone apply for MinnesotaCare or unemployment benefits, or being an advocate for local projects like the Wakota Bridge construction.

Asked whether she would consider running again someday for elected office, Bigham said she is open to the possibility.

"I would never close the door on it," she said. "I'm 31 years old, and who knows what the future brings." 🍷



PHOTO BY ANDREW VONBANK

**Rep. Karla Bigham points to her work on protecting children from sexual predators as among her most important accomplishments.**

## STEPPING DOWN

Rep. Karla Bigham  
DFL

District 57A - Cottage Grove  
Terms: 2 (elected 2006)

Advice to successor: "Keep an open mind and an open door. It's important to have as many conversations with as many people as possible ... hearing from all angles and all aspects of the community to make an accurate decision."

# Leaving before his self-imposed limit

Severson looks to continue work on election reform as secretary of state

By LAUREN RADOMSKI

From the day he took office, Rep. Dan Severson (R-Sauk Rapids) knew his tenure in the Legislature would last no more than 10 years, a time limit he'd set for himself.

"I don't believe in professional politicians," he said. "I think it's public service."

But what Severson didn't expect was that an interest in election reform would prompt him to step down earlier than expected in pursuit of another office: secretary of state.

Following the 2008 election, Severson was contacted by a constituent who had multiple complaints about the conduct of officials at her polling place. Dissatisfied with the response from city and county officials, Severson took the issue to the Minnesota Supreme Court, where he was told his complaint did not come through the appropriate channels to be heard.

The experience left the fourth-term lawmaker wondering how everyday Minnesotans are supposed to get their grievances heard.

"If we as public officials don't take a stand for what's right, (the) quality of the freedoms we enjoy is on a clock," he said.

These freedoms have always been important to him. A St. Cloud native, and a resident of Sauk Rapids, Severson joined the Navy after college, spending 21 years as a fighter pilot. His naval experience included positions in Washington, D.C., where he worked on officer retention, policy enforcement and other issues within the Navy Reserve.

Severson and his family had been back in Minnesota for about a year when someone in church asked whether he had ever considered running for office. Severson, whose political experience was limited to working on other people's campaigns, saw it as an opportunity to serve in a different way than he had previously.

"It was an eye-opener and a totally new experience, but a place to make a difference," he said.

Since his election in 2002, Severson has put much of his energy into veterans issues, sponsoring legislation to help returning soldiers reintegrate into life at home. Many of Severson's bills have been designed to help veterans access educational and business benefits, tax breaks and familial supports. A member of the House Veterans Affairs Division, Severson is also part of the Military Action Group, a bipartisan coalition organized by the Department of Human Rights that works on veteran-friendly legislation.

Severson's passion for veterans issues has ties to his work on election reform. He's concerned about military votes from overseas going

uncounted and troubled by the number of votes in general that he says go unverified. This session, Severson sponsored a bill that would change recount procedures and implement new voter and ballot verification standards. Also an advocate for judicial reform, Severson sponsored legislation in 2009 to ask this year's voters whether a constitutional amendment should allow judicial vacancies to stay open until filled at election time.

Throughout the process, Severson says he has tried to keep an open mind, make decisions based on facts and take action on topics he cares about.

"If you see a need then you're probably the person to take it forward," he said.

Severson has also worked to stay close to constituents, particularly those who may not agree with him. He recalls door knocking around his district with the intent of visiting everyone — not just the "friendly doors."

Severson is proud of having secured funding for a Sauk Rapids bridge several years ago that was in dire need of repair. A proponent of conservative family values, he also notes having carried a constitutional amendment that would define marriage as between a man and a woman.

In the future, Severson hopes to see less "wholesaling" of legislation in the form of massive omnibus bills, which he says leads to corrections later on. Along similar lines, he believes the Legislature needs to "throttle back" the number of issues it tries to address each session — either that or re-evaluate how much legislators are paid so that more Minnesotans, particularly from Greater Minnesota, can afford to serve.



PHOTO BY ANDREW VONBANK

**Rep. Dan Severson has sponsored many bills to help veterans reintegrate into life at home.**

## STEPPING DOWN

Rep. Dan Severson  
Republican  
District 14A – Sauk Rapids  
Terms: 4 (elected 2002)  
Advice: "Have an open mind and an open heart and stay close to the people."



## First Reading continued from page 4

institutions in Minnesota, North Dakota and South Dakota that will guarantee their graduates are effective.

"Our goal is to improve student readiness for college and close the achievement gap," Heegaard said.

Mariani said the original application didn't adequately address Minnesota's "disgraceful achievement gap," which Greiling said is second-worst in the nation only above the District of Columbia.

Evaluators awarded just 15 of 30 points for showing "significant progress in raising achievement and closing gaps," and 10 of 25 points for "improving student outcomes."

Two emerging "turnaround" strategies proving effective could strengthen the application, suggested Scott Croonquist, executive director of the Association of Metropolitan School Districts. One is extended time programs, such as summer school, which he said has worked well in Baltimore schools.

Another is "community schools," which

partner with other organizations to offer wraparound services such as health care, enrichment programs and social services within a school building.


Brooklyn Center leases space in its school building to Community Action Partnership of Suburban Hennepin which provides health and social service resources to students and families. That's helping to engage parents and alleviate health problems that distract students, according to Superintendent Keith Lester. He said graduation rates are now over 80 percent from a low around 40 percent and attendance is up.

"Our partnerships are saving us money. They needed our space and we needed their services," he added.

Other advocates want to make sure any reforms adopted are right for Minnesota.

For example, the grant requires states to adopt common core standards in math and language, said Mary Cecconi, president of Parents United for Public Schools. She said that the standards are still in draft form and

are widely considered to be less rigorous than Minnesota's, so it would be premature to approve them.

Bills moving through the legislative process may boost a second application. Mariani sponsors HF3163 that would strengthen teacher preparation programs and use longitudinal data to track teacher performance, and HF3093 that would create pathways to licensure for non-traditional teacher candidates. The former awaits action by the House K-12 Education Finance Division; the latter was passed 79-47 by the House April 12 and awaits Senate action. The proposals are also in SF2757, sponsored by Sen. Terri Bonoff (DFL-Minnetonka). It awaits action by the Senate E-12 Education Budget and Policy Division. 

[Link to state applications, scores and comments:

<http://www2.ed.gov/programs/racetothetop/phase1-applications/index.html>]

## Human Services continued from page 20

in St. Peter, which Rossow said does not have the space, staffing or access to public transportation needed to accommodate new arrivals.


"The bottom line is that the patients are the ones who will pay the price," she said.

Meanwhile, dental care providers are upset about the decision to close state clinics for people with developmental disabilities. These

patients often have increased dental problems because of their behaviors, said Sue Fields, a dental assistant at Health Source Dental Clinic in Cambridge. They can also be challenging to treat. Fields has been vomited on and spit on by patients; she's also cleaned body excrement from the floor of the clinic.

"There is no way that a private dental office can see the patients that we see," said Sandy

Johnson, a dental assistant at the clinic in Fergus Falls. She finds it difficult to comfort the caregivers of her patients, like the father who brought his 24-year-old in for a recent visit.

"He said, 'Where am I going to take my daughter? The doors are closed to her,'" Johnson recalled. "What am I supposed to say to these people? I don't know." 

# BILL INTRODUCTIONS

APRIL 19, 2010

HOUSE FILES 3786 - 3794

## Monday, April 19

### HF3786-Jackson (DFL)

#### Finance

Private transfer fees prohibited.

### HF3787-Jackson (DFL)

#### Rules & Legislative Administration

Legislative miscellaneous oversights, inconsistencies, ambiguities, unintended results and technical errors corrected.

### HF3788-Morgan (DFL)

#### Taxes

Construction exemption provided for an aerospace defense manufacturing facility.

### HF3789-Beard (R)

#### Commerce & Labor

Sales representative termination amended.

### HF3790-Murphy, M. (DFL)

#### Finance

Funding provided from constitutionally dedicated funds and expenditure provided for expenditure accountability, administration and governance of outdoor heritage, clean water, parks and trails, and arts and cultural heritage purposes; grants, programs, fees and accounts modified and established, and money appropriated.

### HF3791-Persell (DFL)

#### Taxes

Public safety radio equipment taxation exemption expanded.

### HF3792-Knuth (DFL)

#### Transportation & Transit Policy & Oversight Division

Statutory speed limits amended.

### HF3793-Drazkowski (R)

#### State & Local Government Operations Reform, Technology & Elections

Political subdivisions authorized to publish proceedings, official notes and summaries on their websites in lieu of newspaper publications.

### HF3794-Knuth (DFL)

#### Transportation & Transit Policy & Oversight Division

Arden Hills; speed limit established on segment of marked Trunk Highway 51.

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Cases reported in 2008.....	17,649
Cases reported in 2007.....	17,057

— M. Cook

Sources: 2009 Minnesota Health Access Survey, February 2010 Fact Sheet, Department of Health and University of Minnesota School of Public Health; 2008 Minnesota Health Statistics Annual Summary, January 2010, Center for Health Statistics, Department of Health; STD Surveillance Report – 2009, Department of Health.

### FOR MORE INFORMATION

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# SESSION WEEKLY

A NONPARTISAN PUBLICATION  
MINNESOTA HOUSE OF REPRESENTATIVES • PUBLIC INFORMATION SERVICES  
VOLUME 27, NUMBER 12 • APRIL 30, 2010

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## SESSION WEEKLY

Session Weekly is a nonpartisan publication of Minnesota House of Representatives Public Information Services. During the 2009-2010 Legislative Session, each issue reports House action between Thursdays of each week, lists bill introductions and provides other information. No fee.

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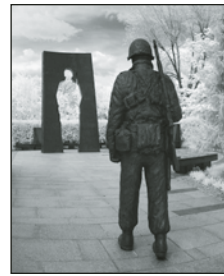
Christy Novak, Susan Xiong

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

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



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On the cover: The Capitol Dome is framed by new spring foliage.

— Photo by: Andrew VonBank

# Not cutting as deep

Although painful now, omnibus HHS budget bill could set stage for reform

BY LAUREN RADOMSKI

**A** House proposal to cut \$156 million in health and human services spending this biennium spares some programs reduced or eliminated under Gov. Tim Pawlenty's supplemental budget recommendation. Yet it's little comfort to patients and providers long accustomed to falling under the budgeting axe.

The House Finance Committee approved HF2614, the omnibus health and human services supplemental budget bill, April 28. Sponsored by Rep. Thomas Huntley (DFL-Duluth), the bill would cut significantly less than the \$346 million proposed by the governor.

Like Pawlenty, House leadership is counting on \$408 million in federal funding to help fill the remaining budget gap. However, that money may not be approved by Congress until after the Legislature adjourns.

Cuts in the bill, combined with reduced spending on General Assistance Medical Care, would reduce health and human services spending by about \$300 million. These cuts are especially sensitive because they traditionally affect the elderly, people with disabilities and the very sick.

"I know people across the state of Minnesota are struggling as we come out of the recession," said Rep. Erin Murphy (DFL-St. Paul), "but there are people that are vulnerable and they're really feeling the impact in the way they lead their lives."

In what some see as a glimmer of hope, the bill also sets the stage for future health reforms. Some are prompted by the federal health care reform law, such as a provision that would use federal funding to increase enrollment in the state's Medicaid program. Other proposed reforms are state-directed

efforts to reduce administrative expenses, improve accountability and bring down costs in the long run.

The bill was amended to incorporate HF1993, a budget bill from the House Housing Finance and Policy and Public Health Finance Division that would eliminate \$1.6 million in public health expenditures. It also includes a portion of HF2760/SF2505\*, the omnibus early childhood bill, bringing its total General Fund savings to \$164 million.

## Difficult decisions

The House bill calls for cuts in state funding to health care providers, but makes some compromises to lessen the blow.

Payments to non-primary care physicians and professional services would be cut by 3 percent beginning next summer. However, clinics owned by nonprofit HMOs would receive increased funding.

Hospitals would be safe from cuts until next summer, when the state would reduce their payment rates by 7.5 percent. Some of the savings would be used to support specialty facilities like Children's Hospitals and Clinics of Minnesota.

Legislators are also proposing an increased surcharge on HMOs in order to capture federal funding. The surcharge dollars would also help the state avoid cutting payments to nursing homes and facilities serving people

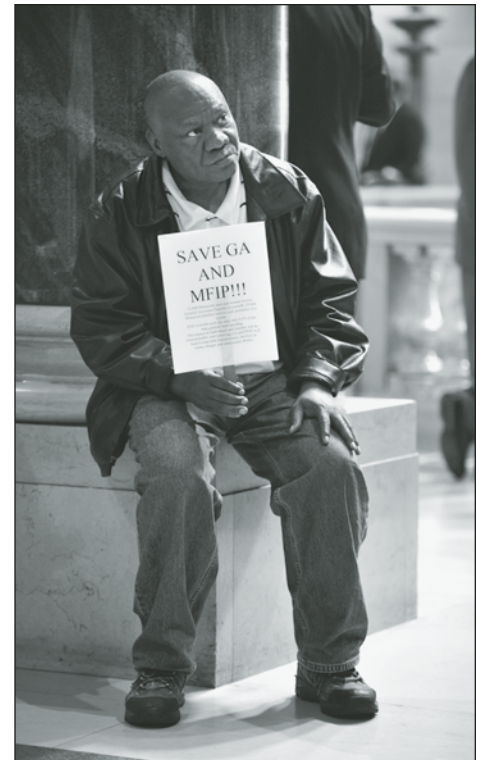


PHOTO BY TOM OLMSCHIED

**Eric Vaye, a resident at the House of Charity in Minneapolis, rests on one of the granite columns in the Capitol Rotunda April 26 while holding his sign urging members to save General Assistance and the Minnesota Family Investment Program.**

with developmental disabilities.

Hospital representatives, patient advocates and others who testified before the House Health Care and Human Services Finance Division April 27 said the bill's proposed cuts are particularly painful in the context of previous reductions and unallotments. For example, community mental health services expecting to lose funding under the scaled-back version of General Assistance Medical Care would also lose valuable state grants under the budget bill.

"Our mental health system simply cannot absorb these cuts," said Sue Abderholden,

**First Reading continued on page 4**

executive director of the National Alliance on Mental Illness of Minnesota. “You can’t make these cuts, obliterate entire programs and expect them to rebound in two years. It will be too late.”

The House proposal would also eliminate nearly \$10 million in grants used by counties to address child abuse. Critics say failure to protect children is not only an injustice, but will lead to greater state expenses later on.

“Without protection and early intervention, they are the future clients of our mental health, corrections, chemical dependency and homeless services,” said Mary Regan, executive director of the Minnesota Council of Child Caring Agencies.

House leadership opted not to include many of the governor’s recommendations in their legislation. The bill does not touch General Assistance, which provides cash assistance to childless, unemployed adults. Pawlenty proposed replacing GA with a short-term grant program.

The governor also recommended the repeal of the rate equalization law, which keeps nursing homes from charging private pay residents more than people on Medical Assistance. The repeal, which is not included in the House bill, is supported by cash-strapped nursing homes, but opposed by seniors’ advocacy groups like AARP.

Other provisions in the bill would restore some dental benefits to people on Medical Assistance; establish licensure for birth centers; and remove state-imposed barriers to the federal food support program, allowing an estimated 70,000 Minnesotans to receive related benefits. An amendment would slow the redesign of State Operated Services, the Department of Human Services division that runs facilities for people with developmental disabilities, mental illness and chemical dependency issues.

### Looking to the future

The bill is peppered with reform measures, many of them aimed at capturing funding under the Patient Protection and Affordable Care Act.

The most immediate reform would mean a major change in health coverage for current participants in General Assistance Medical Care. Beginning in 2014, this population and other low-income adults will be covered under a federal expansion of Medicaid. At that time, the federal government will pay a significantly higher share of Medicaid costs.

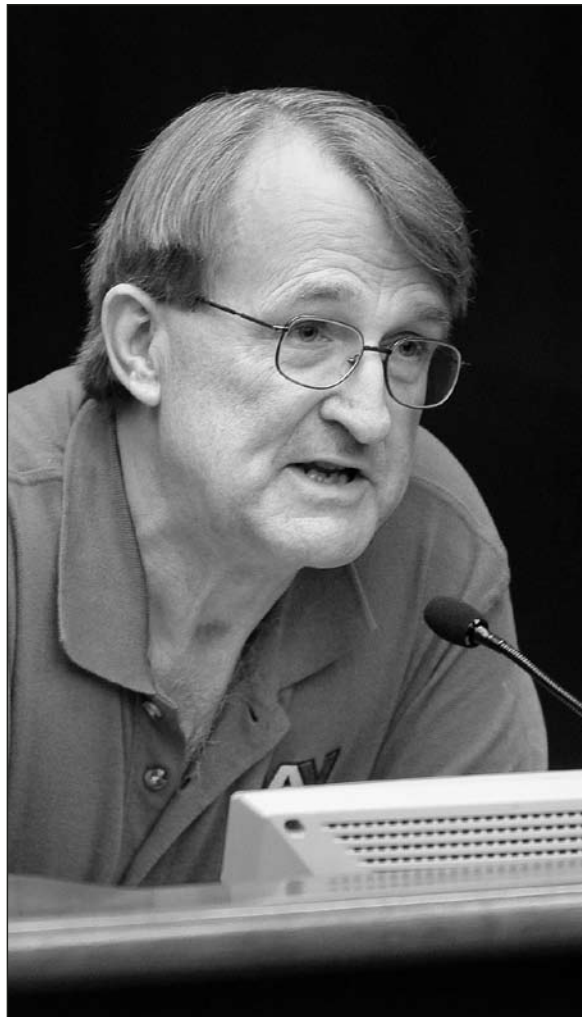


PHOTO BY ANDREW VONBANK

**Cyril J. Denn of Mankato testifies before the House Health Care and Human Services Finance Division April 27 during public testimony on the omnibus health and human services supplemental budget bill.**

Huntley says an aim of the budget bill is to ensure that the state’s estimated 30,000 GAMC enrollees receive appropriate care until the federal expansion takes effect. He supports a so-called “early option”: enrolling certain adults in the state’s Medicaid program ahead of 2014.

“The patients get better care, they get a better (benefits) package, and all the health care providers ... will get an additional payment — roughly 20 percent more than they’re getting right now — on the GAMC population,” Huntley said.

Representatives from several of Minnesota’s health systems have said the early option is preferable to the revised GAMC program, which asks selected hospitals to care for GAMC patients with low reimbursement.

The early option would leverage an estimated \$1 billion in federal funding, but would require


a state match. Huntley proposes to pay for it by using the money that otherwise would have been spent on GAMC and running a deficit in a fund that helps low-income families and individuals purchase health insurance. Transfers from the General Fund would keep the deficit in the Health Care Access Fund from growing more than is currently projected for fiscal year 2013.

Not everyone is as enthusiastic about the early option and even supporters acknowledge their questions still need answers from the Centers for Medicare and Medicaid Services. An amendment to the budget bill would require the Department of Human Services to prepare a January report to the Legislature on the costs and savings to the state over the next five years because of the federal health care reform law.

Then there is the \$408 million in pending federal funding state officials hope will close the budget gap. As part of the American Recovery and Reinvestment Act of 2009, Congress approved a temporary increase in federal matching funds for states’ Medicaid programs. This increase in Federal Medical Assistance Percentages (FMAP) may be extended by Congress, which is unlikely to address the issue

before the Legislature must constitutionally adjourn May 17.

Other reform-related provisions in the omnibus bill direct the Department of Health to explore new models of service delivery that would incentivize providers to keep their patients healthy. An “Office of Health Care Inspector General” would be created within DHS to enhance antifraud activities, and the department would be charged with reducing the costs of caring for the most expensive Medical Assistance enrollees. An advisory board would review the reasonableness of administrative expenses within publicly funded programs.

A companion, SF2337, sponsored by Sen. Linda Berglin (DFL-Mpls), was held over by the Senate Health and Human Services Budget Division April 28. 



**Editor's note:** The following Highlights are coverage of select bills heard in House committees and other House activities held April 22-29. 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.

## AGRICULTURE

### Omnibus bill gets House OK

Instructions on how to properly fold a Minnesota state flag and the legalizing of growing industrialized hemp are included in a bill that passed the House on a 127-3 vote April 27.

As amended to include the House language, the omnibus agriculture and veterans policy bill, HF2678/SF2737\*, sponsored by Rep. Al Juhnke (DFL-Willmar) and Sen. Dan Skogen (DFL-Hewitt), would:

- add an official from the Animal and Plant Health Inspection Service of the United States Department of Agriculture, or a peace officer from the county sheriff's office, to those who could make a personal inspection of a farmer's livestock loss due to a gray wolf;
- allow for the growing of industrial hemp as an agriculture crop;
- make technical changes to pesticide application references;
- permit the agriculture commissioner to waive certain review fees for businesses that sell prepackaged foods, such as video stores;
- repeal the loan incentive program for native grasses and wildflower seed production;
- allow nonprofit farms less than 40 acres in size to use profits for educational purposes and be exempt from corporate farm land requirements;
- permit cities and towns to charge fees and spend money for county extension work, such as 4-H programs;
- require banks to extend credit to feed mills at the beginning of the process of mediation, resulting in mills being paid for that feed;
- detail procedures on the proper way to fold and present the state flag;
- permit the commissioner of veterans affairs to determine a suitable site and plan for three new state veterans cemeteries in northeastern, southeastern and southwestern Minnesota; and
- require certain conditions to be met before Minnesota would be granted a federal

### THEN AND NOW



PHOTO BY TOM OLMSCHEID

**Army veteran Roger Ball, left, the American Legion legislative liaison and a member of Post 39 in North St. Paul, and officers' candidate Davin Fischer, who works in government relations at the Minnesota National Guard, watch from the House gallery as members debate the omnibus agriculture and veterans policy bill April 27.**

waiver in regards to E-15, including all vehicles being able to use the ethanol mixture regardless of year made. It would also give

the Department of Commerce the ability to specify how long it could take gas stations to set up for the ability to deliver E-15.

Several successful amendments were offered including one by Rep. Dan Severson (R-Sauk Rapids) that would add all veteran-owned businesses to those able to obtain preference in bidding for state contracts. The amendment would allow those who became veterans before Sept. 11 to bid on the excess percentage of contracts set aside for preferential groups. Currently, only those who became veterans after that date are included in veterans preference.

Rep. Tom Hackbarth (R-Cedar) offered an amendment that would have added gambling machines at horse racing facilities in the state. Profits would assist agricultural and rural development, research and development of bioscience and medical technology business and employment opportunities and provide stadium funding for the Minnesota Vikings and St. Paul Saints. It was ruled out of order.

The Senate did not concur with the changes April 28. A conference committee is expected to work out the differences.

— P. OSTBERG



PHOTO BY TOM OLMSCHEID

**Minnesota Management & Budget Commissioner Tom Hanson, right, tells the LCPFP Subcommittee on a Balanced Budget April 27 that the \$408 million Medicaid payment to the state will likely arrive after the Legislature adjourns. Legislative leaders and Gov. Tim Pawlenty have included the money in their budget-balancing plans. State Budget Director Kristin Dybdal, left, also testified.**

## BUDGET

### About that \$408 million ...

A state official told a legislative panel April 27 that \$408 million in federal funding that lawmakers and Gov. Tim Pawlenty are counting on as part of their budget fix is stuck in congressional limbo.

Minnesota Management & Budget Commissioner Tom Hanson said it may be several more weeks before Congress passes an expected \$408 million extension of enhanced Medicaid match funding. Both the Legislature and the governor have included the money as part of their respective budget-balancing plans.

Hanson said he and other officials learned the information during a conference call with staff from the National Governors Association. Although NGA staff are “80 percent” sure that the money will eventually be appropriated, Hanson said it is “significantly unlikely” to happen before May 17. That’s the day the Legislature is constitutionally required to adjourn this year.

“I think we’re faced with a fluid situation in Washington, D.C.,” Hanson said.

Congress is expected to go into recess May 29, and it is possible the legislation may be acted on before that date, Hanson said; however, he suggested lawmakers and the governor develop a backup plan.

“We need to begin a dialogue back and forth about the level of risk we want to take going forward as we prepare our budget in the last few weeks,” he said.

Hanson said the state budget is expected to be short \$536 million in the current biennium, which ends June 30, 2011. Assuming the state will eventually get the \$408 million in federal funding, he suggested lawmakers deal with the remaining \$128 million problem first. After that, the state will need some kind of plan to “manage the risk of that money not coming,” he said.

Hanson made his remarks to members of the Legislative Commission on Planning and Fiscal Policy’s Subcommittee on a Balanced Budget. No action was taken.

Senate Majority Leader Larry Pogemiller (DFL-Mpls), co-chairman of the subcommittee, challenged Hanson to develop a backup plan for solving the budget deficit without the \$408 million. Hanson likewise challenged legislative leaders to come up with their own plan.

“I think it’s important that ... we all talk about contingency and put our proposals on the table,” Hanson said.

— N. BUSSE

## BUSINESS

### Minnesota vs. Wisconsin

Lawmakers sometimes hear complaints from business owners who say it’s harder to start a company in Minnesota than it is in Wisconsin. Rep. Kim Norton (DFL-Rochester) intends to find out for sure whether it’s true.

Norton sponsors HF2849, which would initiate a study comparing Minnesota’s small

business climate to that of its neighbor to the east. Norton hopes the study will shed some objective light on how to improve Minnesota’s economic competitiveness.

No money would be appropriated for the study; instead, the bill would ask the Legislative Coordinating Commission to apply to the University of Minnesota’s Carlson School of Management to fund and/or conduct it themselves.

“We want them to look at it from beginning to end,” Norton said. “Formation, financing, licensing, permits, reporting requirements and employment laws and state and local taxes.”

The House Taxes Committee approved the bill April 27 and sent it to the House floor.

The bill specifies that the study should include information on the comparative state regulatory effects on three different types of business startups: small services businesses, small retail businesses and small manufacturing businesses.

Some committee members were skeptical of the bill’s purpose. Rep. Paul Kohls (R-Victoria) asked whether it was “just trying to make people feel good.”

“We want to say we’re doing something when we’re really not doing anything,” he said.

Along similar lines, Rep. Laura Brod (R-New Prague) said she doubted whether the Legislature had “the political will” to do anything with the results of the study.

Norton defended the rationale behind the study, and said the business community supports the idea.



"I'm not here just for fun; I'm here because 3M and many other corporations said this would be really helpful," she said.

A written report would be due to the LCC by Dec. 1, 2011; however, if the LCC cannot get funding from the Carlson School or another institution to conduct the study, the study may be canceled.

A companion, SF2310, sponsored by Sen. Kathy Saltzman (DFL-Woodbury), awaits action by the Senate. It is also included in SF2510, the omnibus economic development policy bill, sponsored by Sen. David Tomassoni (DFL-Chisholm). That bill was passed 45-21 by the Senate on April 26.

— N. BUSSE

## CONSUMERS

### PIN numbers for debit cards?

Minnesotans would have to enter a personal identification number (PIN) instead of signing a receipt when using a debit or check card, under a bill sponsored by Rep. Joe Atkins (DFL-Inver Grove Heights).

Retailers say it could save consumers money.

"There is a cost to processing credit cards and debit cards," said Randy Thompson, general counsel for the Minnesota Service Station Association.

Thompson said banks charge retailers "tens of billions of dollars" every year to process credit and debit card transactions; retailers, in turn, recoup those costs by charging higher prices to consumers.

HF3623 would switch Minnesota from a system that requires debit card users to sign receipts — as with a credit card — to one that requires them to enter their PIN numbers into a keypad. Thompson and other supporters say the PIN-based debit card system would cost retailers less money, because processing PIN-based transactions is cheaper.

The House Commerce and Labor Committee held an informational hearing on the bill April 27. Atkins said he doesn't expect action on the issue this year, but he expects more attention will be paid to it in the future.

Banks and other financial institutions oppose the bill, arguing the current system is more secure. They point to a provision in the bill that would exempt Minnesota retailers from having to comply with security standards for credit and debit cards.

Joe Witt, president and CEO of the Minnesota Bankers Association, argues the bill could expose consumers to increased risk of identity theft or fraud.

"These standards are in place for a very good reason. We've seen a lot of data breaches; we've

seen the damage that can happen from it. A lot of those data breaches were at retailers," Witt said.

He added that the higher costs in the current system go to pay for technologies that increase security and reliability in processing transactions.

A companion, SF3213, sponsored by Sen. Dan Sparks (DFL-Austin), awaits action by the Senate Commerce and Consumer Protection Committee.

— N. BUSSE

### Keeping up with tobacco

Minnesota's tobacco laws are not keeping up with the creativity and marketing of new tobacco products.

From strips that melt in your mouth to orbs that look like Tic-Tacs, users can get a nicotine bump anytime, anywhere and undetected. Supporters of new regulations fear these products could lure in a whole new generation of tobacco users.

Rep. Jim Davnie (DFL-Mpls) sponsors HF3467, the Tobacco Modernization and Compliance Act of 2010, that would close the loophole on products that supporters say target the younger generation.

The bill would regulate these products similar to the way cigarettes and cigars now are. It would also apply to electronic cigarettes and candy- or fruit-flavored "little cigars" that are similar in size to cigarettes, but because of their design are not as regulated and cost less.

The bill was held over by the House

Taxes Committee for possible omnibus bill inclusion.

A companion, SF3055, sponsored by Sen. D. Scott Dibble (DFL-Mpls), was passed 63-4 by the Senate Wednesday.

— L. SCHUTZ

### Ticket troubles debated

If you've ever been miffed about how hard — and expensive — it is to get tickets to a popular concert or event, you're not alone. Members of the House Commerce and Labor Committee held an informational hearing on the subject April 27.

Committee Chairman Rep. Joe Atkins (DFL-Inver Grove Heights) said consumer frustration over the problem has been growing. Though he doesn't expect legislative action this year, he advocates legislation that would require ticket companies to disclose how many tickets are available to the general public versus those reserved for special pre-sales and other promotions.

"If I was a consumer, and I know my odds of getting a ticket are really very minimal ... then my expectation level is appropriate, and my disappointment level is lessened," Atkins said.

At the hearing, lobbyists presented competing views of the problem.

Daniel Pullium, director of government relations for ticket reseller site TicketNetwork, said consumers don't realize how few tickets are actually made available to the general public in some cases. He cited a recent Taylor Swift concert in which only 11 percent of the



PHOTO BY TOM OLMSCHIED

**Holding a pack of what is known as "little cigars," Thomas Briant, executive director of the Minnesota Wholesale Marketers Association, tells the House Taxes Committee April 28 that a bill to change excise taxation and the regulation of tobacco products could cost the state revenue. Rep. Jim Davnie, right, sponsors the bill. Listening to the testimony are Rep. Debra Hilstrom and Rep. Loren Solberg.**





PHOTO BY TOM OLSCHIED

**Lance Lanciault, right, director of legal affairs for StubHub, tells the House Commerce and Labor Committee about the demand for tickets to athletic and music venues during an April 27 hearing. Other ticket broker representatives to testify are Daniel Pullium, center, director of government relations for TicketNetwork, and Cortney Storsved, director of operations for TicketKing.**

more than 14,000 tickets sold were available to the general public. The rest were distributed through pre-sales available only to select groups of people.

Pullium said ticket resellers provide a vital service to fans who may not otherwise be able to acquire event tickets. He said legislation that provides transparency in the market would help assuage consumer angst.

"We believe that information is crucial — that if consumers have access to that information, that they will be able to decide how best... to obtain tickets," Pullium said.

Meanwhile, representatives from event venues and ticket companies blame sketchy practices by ticket resellers for raising consumers' ire.

David Balcer, director of ticketing for the Target Center, said he frequently hears complaints about how and why tickets for events show up on re-sellers' websites — oftentimes before tickets even go on sale.

"It leads a lot of customers to believe that the venues themselves are somehow in cahoots with a lot of these brokers," he said.

Balcer said re-sellers often sell "speculative tickets" — tickets that are not yet available — and promise to find similar seats if the ones they want aren't available.

— N. BUSSE

If you will be visiting the Capitol in the near future, call the Capitol Historic Site Program at 651-296-2881 to schedule a tour.

## EDUCATION

### Early childhood bill to floor

Child care providers who want to improve their facilities, train staff or buy early learning curricula could benefit from \$500,000 appropriated in the omnibus early childhood bill approved by the House Finance Committee April 27. The federal funds are intended to support providers to prepare for evaluation through a statewide Quality Rating and Improvement System.

Approved the next day by the House Ways and Means Committee, the bill's policy provisions will go to the House floor, independently or as part of the omnibus K-12 education bill, said Rep. Nora Slawik (DFL-Maplewood), who sponsors HF2760/SF2505\* with Sen. Terri Bonoff (DFL-Minnetonka).

The bill would also direct the governor's early childhood advisory council to take up several tasks including:

- creation of an early care and education report card;
- a recommendation on how to screen and assess whether young children are developmentally ready for school;
- strategies to address the developmental needs of those children who may not be school-ready; and
- creation of an office of early learning.

The bill also incorporates HF3220, sponsored by Rep. Gail Kulick Jackson (DFL-Milaca), which would make it easier for teen parents to get child care funds re-authorized on the

school calendar schedule. That change would help the young parents retain consistent child care so they can stay in school.

A provision that would cut \$7.5 million in unexpended funds from the basic sliding fee child care program is expected to be included in the omnibus health and human services bill. The funds unused by counties to subsidize child care for income-eligible working families would ordinarily go to other counties with waiting lists for child care subsidies; however, this year they will be used to offset the General Fund deficit, Slawik said.

The Senate passed its version 53-12 April 19.

— K. BERGGREN

## ENVIRONMENT

### Composting gets OK ranking

**Signed by the governor**

After reducing, recycling or reusing waste materials, composting of source-separated compostable materials falls into the hierarchy of preferred waste management practices, according to a new law signed by Gov. Tim Pawlenty April 26.

The revised policy lists composting of yard and food waste as being preferred to other forms of disposal, such as incineration and landfills. Minneapolis DFLers Rep. Frank Hornstein and Sen. D. Scott Dibble sponsor the law, which is effective April 27, 2010.

HF3061\*/SF2991/CH272

— S. HEGARTY

## FAMILY

### Ten-day abuse allegation required

**Signed by the governor**

Parents never want to learn their child may be a victim of maltreatment or abuse at school, but if that is the case, they deserve to know quickly. A new law ensures that will happen.

Signed by Gov. Tim Pawlenty April 26, the law requires the education commissioner to notify parents or legal guardians of a child who may have been a victim of maltreatment or abuse at a school facility within 10 days of having received the report orally or in writing.

The issue came to light because of a Spring Lake Park case in which 6-year-old Kyle Herman, who has Down syndrome, was physically and emotionally abused by his kindergarten teacher over several months in 2006. Because the teacher had requested an arbitration hearing, details of the case

were not made public by the Education Department, even to the boy's parents, until May 2008, after that hearing was completed.

The commissioner also must notify parents or legal guardians of a child alleged to be a victim of maltreatment in writing within 10 days of the completion of the department's investigation into an abuse or maltreatment allegation, and may notify parents or guardians of other students who witnessed alleged maltreatment.

The new law, sponsored by Rep. Tim Mahoney (DFL-St. Paul) and Senate Minority Leader David Senjem (R-Rochester), takes effect Aug. 1, 2010.

HF3157\*/SF3087/CH276

— K. BERGGREN

### Clarifying child protection, services

**Signed  
by  
the  
governor**

Provisions related to judicial proceedings for children in need of protection or services will be modified.

Representing the work of the Juvenile Law Committee of the Minnesota County Attorneys Association, the new law adds a basis for finding a child in need of protection or services. It adds cases where a child has a parent whose parental rights to another child have been involuntarily terminated or whose custodial rights have been involuntarily transferred to a relative, but there are compelling reasons why it is in the child's best interest not to have parental rights terminated.

The law also clarifies that if a petition is filed for transferring custody of a child to a named relative, the relative has a right to be a party to the permanency proceeding "on the issues of the relative's suitability to be a legal and physical custodian for the child, whether the transfer is in the child's best interests, and the needs of the child."

Further, local law enforcement is permitted to take a runaway to a shelter, if possible, instead of back to their parent's residence. The problem was that runaways would sometimes be returned home by the authorities and leave again right away.

Rep. Dave Olin (DFL-Thief River Falls) and Sen. Mary Olson (DFL-Bemidji) sponsor the law that takes effect Aug. 1, 2010. It was signed April 26 by Gov. Tim Pawlenty.

HF3391\*/SF2999/CH281

— M. COOK

## HEALTH

### Access to medical claims data

Health plan sponsors, including some employers, would have access to employees'

medical claims data, under a bill sponsored by Rep. Jim Abeler (R-Anoka).

HF3396 would require health plan companies and managers of preferred provider networks to annually submit medical claims data to health plan sponsors. For example, a union health care plan would have access to information on union members' medical claims.

The House Commerce and Labor Committee held an informational hearing on the bill April 27. No action was taken. There is no Senate companion.

Supporters say access to this data is an important tool that will help health plan sponsors monitor and improve the quality of their members' health and wellness plans.

"Without access to our data, we are at a disadvantage, and we as a health plan are unable to perform its due diligence in evaluating the effectiveness of its wellness programs," said Martha LaFave, health fund coordinator for International Union of Operating Engineers Local 49.

LaFave said access to claims data would allow the health plan to reach out to union members with certain conditions, help them select a quality health care provider and identify diseases early. It would also help plan sponsors figure out what changes are needed to best serve members' needs.

Some committee members are concerned the bill raises data privacy issues, however. Rep. Tim Sanders (R-Blaine) said some employees may be getting tested for conditions they don't want their employer to know about.

Rep. Sarah Anderson (R-Plymouth) raised similar doubts, asking whether an employee who is pregnant and doesn't want her employer to know would be forced into disclosing that information.

"I think we're going down a slippery slope that will cause more problems than it will solve," Anderson said.

Committee Chairman Rep. Joe Atkins (DFL-Inver Grove Heights) said the committee would not act on the bill this year, but he thought it worthwhile to "tee the issue up" in anticipation of future debates.

— N. BUSSE

### Licensing of health professionals

**Signed  
by  
the  
governor**

A handful of health professions can expect technical changes to licensing requirements, under a new law signed by Gov. Tim Pawlenty April 26.

Sponsored by Rep. Maria Ruud (DFL-Minnetonka) and Sen. Ann Lynch (DFL-Rochester), the law makes the following changes to professions licensed under the

Department of Health:

- amends requirements for audiologists and speech-language pathologists turning in documentation of continuing education completion;
- removes a requirement that speech-language pathologists and audiologists respond to a request from the department or advisory council by certified mail;
- specifies that an occupational therapist or occupational therapy assistant applying for licensure four or more years after completing credentialing requirements must complete 480 hours of supervised experience within six months and may do so at their place of work; and
- amends requirements for temporary licensure as an occupational therapist or occupational therapy assistant.

Effective Aug. 1, 2010, the law also allows outpatient surgical centers to be accredited by any group recognized as an accreditation organization by the Centers for Medicare and Medicaid Services.

HF2969/SF2851\*/CH274

— L. RADOMSKI

## INDUSTRY

### Construction codes and licensing

**Signed  
by  
the  
governor**

A host of technical and clarifying changes to the state's construction code and licensing statutes are made by a new law.

Sponsored by Rep. Kim Norton (DFL-Rochester) and Sen. Kathy Saltzman (DFL-Woodbury), the law includes changes requested by the Department of Labor and Industry. Gov. Tim Pawlenty signed it April 26.

Selected changes made by the law include:

- clarifying that people may receive state agency rulemaking notices either electronically or by regular mail;
- modifying statutes dealing with apprenticeship training to conform to changes in federal law;
- deleting outdated statutory language;
- removing a requirement that hard copies of construction code and licensing rulemaking changes be filed with the Office of the Secretary of State;
- clarifying that municipalities that fail to comply with reporting requirements on the collection of development-related fees are subject to enforcement actions;
- clarifying that DOLI may not pay compensation from the contractor recovery fund in an amount greater than \$75,000 per licensee;

- clarifying requirements for having an application for compensation from the contractor recovery fund verified; and
- changing from 30 days to 45 days the time in which an administrative hearing must be conducted unless the parties agree to a later date, and requiring that notice be given at least 15 days before the hearing;

Most of the law takes effect Aug. 1, 2010.  
HF3048\*/SF2928/CH280

— N. BUSSE

## INSURANCE

### Auto insurance for minors

**Signed  
by  
the  
governor**

Under certain conditions, Minnesotans under the age of 18 can own their own cars. Effective April 27, 2010, they can buy their own insurance policies, too.

A new law, signed April 26 by Gov. Tim Pawlenty, allows minors to purchase automobile insurance, provided they meet the state requirements to own their own automobile. Previously, statutes were unclear as to whether minors could have their own insurance policies.

Rep. Karla Bigham (DFL-Cottage Grove), who sponsors the law with Sen. Katie Sieben (DFL-Newport), said the change will close a “loophole” discovered by one of her constituents.

In order to own a car and/or buy their own insurance, a minor must meet one of the following qualifications:

- complete an approved driver training course and be 17 years old;
- be a high school graduate and be 17 years old;
- be an employed, emancipated minor who holds a Minnesota driver’s license; or
- have become the owner of the passenger automobile or truck which the person seeks to register in Minnesota while a resident of a foreign state, district, territory or country, and which passenger automobile or truck is duly registered in the person’s name in such foreign state, district, territory or country.

HF2879\*/SF2592/CH278

— N. BUSSE

## SAFETY

### Public plowing on private roads

**Signed  
by  
the  
governor**

For the next three years, local road authorities can remove snow from private roads where a developer, because of insolvency or pending

foreclosure, is unable to maintain the road. Effective April 27, 2010, the law sunsets May 2, 2013.

Unplowed roads are a safety hazard for school buses and emergency vehicles, said Rep. Mike Nelson (DFL-Brooklyn Park), who sponsors the law with Sen. Ken Kelash (DFL-Mpls).

Signed April 26 by Gov. Tim Pawlenty, the law will require a local road authority to adopt an annual resolution finding that a developer has failed to maintain the road. The city or local government may impose a reasonable and proportionate charge on all properties within the subdivision for the plowing services provided.

HF2231\*/SF2004/CH279

— S. HEGARTY

### Conferees agree on window tint bill

A conference committee agreed April 27 to accept the House language on a bill that would make selling or applying illegal window tints on motor vehicles a misdemeanor.

Current law makes it illegal to drive a vehicle with too dark tints, but does not extend to making the application of dark tints illegal.

Minnesota law prohibits applying tints to a vehicle’s front windshield and less than a 50 percent visible light transmission on side and rear windows. Some exceptions apply to rear windows of hearses, police vehicles, limousines, vans and pickup trucks.

State Patrol Maj. Mike Asleson said dark tints present a safety threat to officers when approaching a vehicle and make it more difficult for drivers to see out of, especially at night. Last year, 5,600 tickets were issued for illegal window tints and more than 16,000 drivers received warnings, Asleson said.

Sponsored by Rep. Carlos Mariani (DFL-St. Paul) and Sen. Sandy Pappas (DFL-St. Paul), HF2914/SF2370\* was first approved by the Senate with a provision to prohibit car dealers from selling or leasing vehicles with illegal window tints unless the vehicle is transported without being driven on Minnesota roadways.

Alyssa Schlander, government affairs director for the Minnesota Automobile Dealers Association, told conferees the Senate provision would add to the cost of handling used vehicles and that those costs would be passed onto consumers. Conferees removed the provision.

Mark Gjerde of Gjerde’s Solar Shield said benefits of tinted windows include privacy and protection for single occupants and personal belongings, protection from damaging ultraviolet rays to vehicle interiors and their occupants, cooler interiors and less likelihood

that a treated window would shatter when struck.

— S. HEGARTY

## STATE GOVERNMENT

### Sentencing error turns to claim

William Howard Heins spent an extra 389 days in prison due to a sentencing error, which was corrected only after a decision by the state Court of Appeals.

He could receive \$34,049 from the state for payment of lost wages. However, he would be required to pay off fines and restitution amounts owed, and agree not to seek credit against any future sentence for the time mistakenly served.

The provision is part of the claims bill (HF3660), sponsored by Rep. Lyle Koenen (DFL-Clara City). Approved by the House Finance Committee April 27 the bill awaits action in the House Ways and Means Committee.

The bill contains payment recommendations from the Joint House/Senate Subcommittee on Claims including:

- \$53,700 for seven claims by prisoners who suffered permanent partial disabilities while performing assigned duties in prison, and two claims by people who suffered permanent partial disabilities while performing sentence to service work; and
- \$3,700 to reimburse the department for sentence to service and community work service claims under \$500 and claims already paid.

According to its website, “The Joint House/Senate Subcommittee on Claims was established in 1976 to hear and recommend to the legislature whether or not to pay claims against the state by various persons who cannot proceed against the state under the State Tort Claims Act.”

The bill’s companion, SF3246, sponsored by Sen. Ron Latz (DFL-St. Louis Park), awaits action by the full Senate.

— L. SCHUTZ

### Documents must be accessible

**Signed  
by  
the  
governor**

All public documents in the state must be stored in a format that is accessible to people with disabilities beginning Jan. 1, 2013.

Sponsored by Rep. Tom Rukavina (DFL-Virginia) and Sen. David Tomassoni (DFL-Chisholm), the law will require all public records created by public entities to be available to persons with disabilities in a format that is accessible to them. This includes state and local government agencies, public colleges



and universities, school districts and all other government entities.

As an example, an electronic document will have to be stored in a format compatible with screen-reader technologies that blind people can use to have a computer or other device read the document to them.

The law will also apply the same standards to any documents pertaining to a continuing education or professional development course offered by government entities or public colleges and universities.

Those who violate the law will be subject to a penalty of \$500 per violation, plus attorney's fees and other costs payable to a disabled person who brings a lawsuit against the public entity.

The law also requires rehabilitation counselors who work with blind people to complete certain training requirements. Beginning Jan. 1, 2011, these include:

- at least six weeks of intensive training at an adjustment-to-blindness center;
- any additional training requirements specified by State Services for the Blind;
- any continuing education requirements specified by SSB.

Counselors who meet all the requirements will be certified by the state.

HF737/SF1246\*/CH271

— N. BUSSE

## TAXES

### Two contribution checkoffs proposed

Two bills that would provide donation checkoff boxes on the state's income tax form, similar to the current Nongame Wildlife Fund contribution checkoff, were held over April 27 by the House Taxes Committee for possible omnibus bill inclusion.

Rep. Peggy Scott (R-Andover) sponsors HF3566, the "I'm Not Taxed Enough Already Checkoff," which would provide taxpayers the chance to make a voluntary contribution of at least \$1 to the General Fund. A companion, SF3197, sponsored by Sen. Amy Koch (R-Buffalo), awaits action by the Senate Taxes Committee.

Sponsored by Rep. John Lesch (DFL-St. Paul), HF3344 would also provide a minimum \$1 checkoff opportunity with money equally split between grants for emergency shelter and services for the homeless and to Hunger Solutions, a nonprofit statewide association of food shelves.

Dan Kennedy, a school guidance counselor at Johnson Senior High School in St. Paul, and his students brought the idea to Lesch. Last summer they raised approximately \$23,000 to help the state's food shelves. Their



PHOTO BY TOM OLMSCHIED

Johnson Senior High School junior Arthur Nguyen, right, and Dan Kennedy, center, a guidance counselor at the St. Paul school, listen to Assistant Revenue Commissioner Beth Kadoun answer a question during an April 26 meeting of the House Taxes Committee. Nguyen and Kennedy worked together on a potential homeless checkoff to be added to state income tax forms.

experience raised their awareness to the number of homeless and the growing use of food shelves.

"A lot of people are hurting and the demand is increasing; this is a way for people to give," said Arthur Nguyen, a junior at the school.

However, the request opened a conversation over whether tax returns should be used to raise money for causes.

"They (donations) are the right thing to do on a personal level, but from a state perspective, it does become an issue," said Rep. Ann Lenczewski (DFL-Bloomington), chairwoman of the committee. She said the tax form is already full, and according to the Revenue Department, this would be cause for an additional form. She said the committee has historically discouraged checkoffs because "everyone has a cause" they think would merit a checkoff.

Rep. Paul Kohls (R-Victoria) said there is a cost to the state's General Fund for administering the checkoff.

Kennedy said, "You may view it as, 'This will open the flood gates,' ... but as legislators you can draw the line at the DNR and the food shelf. We're asking you to draw the line here. It is a good bill, and I think you should vote yes."

A companion, SF2688, sponsored by Sen. Ellen Anderson (DFL-St. Paul), has been included in the omnibus tax bill, SF3327, sponsored by Sen. Tom Bakk (DFL-Cook). It awaits action by the full Senate.

— L. SCHUTZ

## TECHNOLOGY

### Broadband for everyone

Signed  
by  
the  
governor

It's official: Minnesota intends to provide every resident the ability to access high-speed broadband Internet service by 2015.

A new law makes high-speed broadband Internet for every home and business an official state goal. In addition, it calls for a boost in broadband speeds: 10 to 20 megabits per second for downloads and five to 10 megabits per second for uploads.

Sponsored by Rep. Sheldon Johnson (DFL-St. Paul) and Sen. Yvonne Prettner Solon (DFL-Duluth), the law also specifies three other goals for Minnesota's broadband access. It states that Minnesota should be in:

- "the top five states of the United States for broadband speed universally accessible to residents and businesses";
- "the top five states for broadband access"; and
- "the top 15 when compared to countries globally for broadband penetration."

The law stems from the work of the Minnesota Ultra High-Speed Broadband Task Force, which spent two years researching a strategy for deploying broadband Internet service throughout the state. The task force's final report is available online.

Also included in the law is a provision requiring the Department of Commerce to report annually to the Legislature on progress

made toward meeting the state's broadband goals.

Signed April 26 by Gov. Tim Pawlenty, the law takes effect Aug. 1, 2010.

HF2907\*/SF2254/CH277

— N. BUSSE

## TRANSPORTATION

### Impound notice date exclusions

**Signed  
by  
the  
governor**

Government workers and impound lot operators won't have to count Saturdays, Sunday, and legal holidays among the five days they have to notify a registered vehicle

owner and lienholders of a vehicle that their vehicle has been impounded.

Current law includes those days in the five-day notice period.

Sponsored by Rep. Larry Hosch (DFL-St. Joseph) and Sen. Michelle Fischbach (R-Paynesville), the law was signed April 22 by Gov. Tim Pawlenty. It takes effect Aug. 1, 2010.

HF3016/SF2572\*/CH257

— S. HEGARTY

### Procurement for transit vehicles

**Signed  
by  
the  
governor**

The Metropolitan Council is now able to use the same procurement processes that the Department of Transportation uses for the purchase of buses, motor coaches, light rail and commuter rail cars and other transit vehicles.

In addition to price, the new law allows the council to include environmental considerations, quality and contract performance when choosing a vendor.

Prior to the law, the council was subject to the Uniform Municipal Contracting Law, and had to use sealed bids for larger purchases.

Sponsored by Rep. Frank Hornstein (DFL-Mpls) and Sen. Tarryl Clark (DFL-St. Cloud), and signed April 26 by Gov. Tim Pawlenty, the law only applies to the seven-county Twin Cities metropolitan area. The law is effective April 27, 2010, and is retroactive to include requests for proposals issued since Sept. 1, 2009.

HF3286\*/SF3005/CH273

— S. HEGARTY

### Roadways given to local jurisdictions

**Signed  
by  
the  
governor**

Two state roadways will be turned over to their respective local governments: Trunk Highway 297 that runs around the grounds of the Fergus Falls Regional Treatment Center and

a segment of Trunk Highway 332 that runs southeasterly around International Falls.

Each year, the Department of Transportation reviews the state's highway system to assure that each road still serves specific statewide purposes. As a result, the department recommends that some roads be turned back to local communities.

Sponsored by Rep. Bud Nornes (R-Fergus

Falls) and Sen. Dan Skogen (DFL-Hewitt), each portion of the law is effective the day after MnDOT provides notice to the revisor's office that the conditions required to transfer the route have been satisfied. Gov. Tim Pawlenty signed the law April 22.

HF2851\*/SF2662/CH265

— S. HEGARTY

### BIG HUG

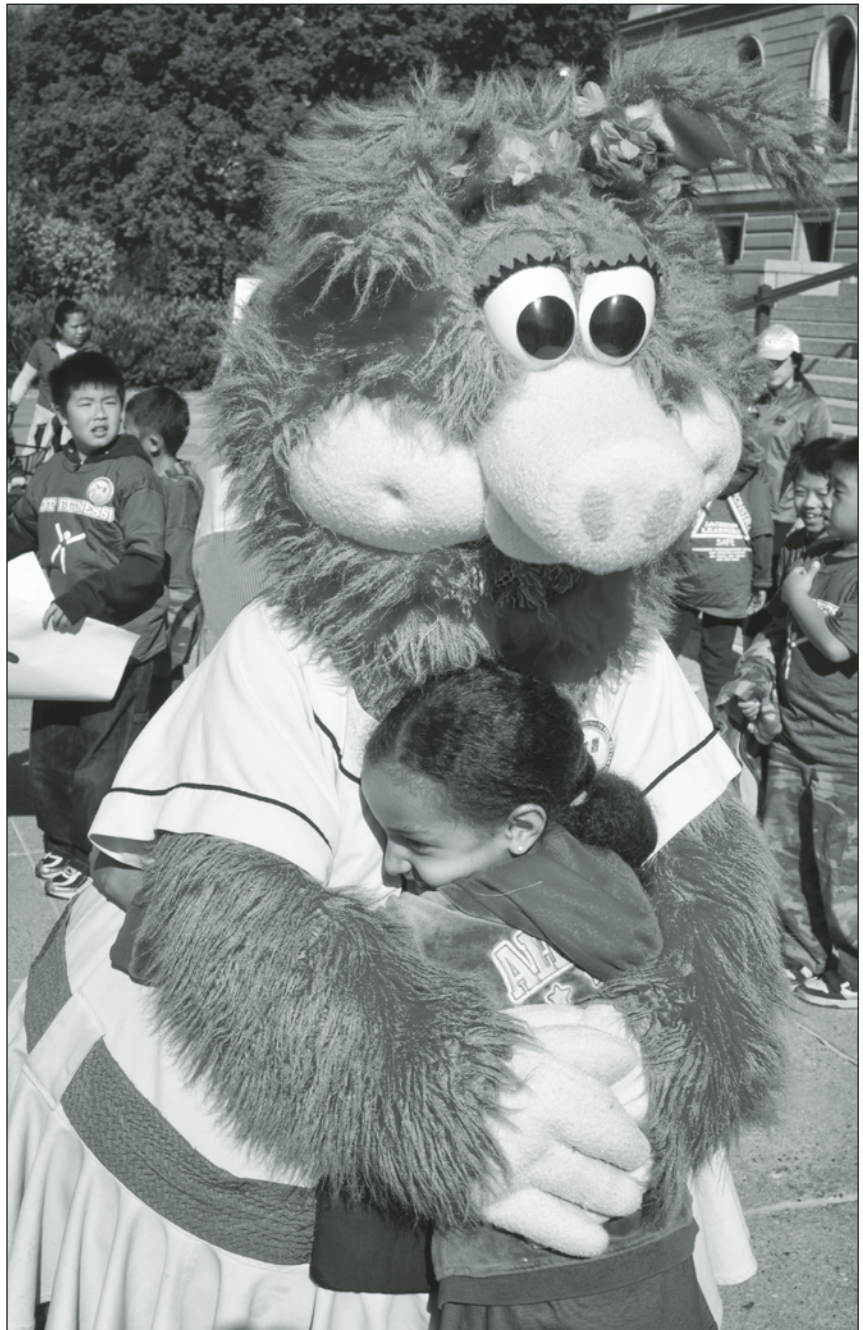


PHOTO BY TOM OLMSCHIED

Milete work Mihretu, a first-grader at Jackson Preparatory Magnet Elementary School, gets a hug from Mudonna T Pig, the St. Paul Saints mascot, following the kickoff of the Exercise Your Right to Feel Better St. Paul campaign on the front steps of the Capitol April 27.



# K-12 education bill moves forward

Measures would activate reforms, stabilize school funding

By KRIS BERGGREN

**M**innesota lawmakers can “sit and wait” for education reform to be imposed from outside or “shape our expectations of ourselves,” said Rep. Carlos Mariani (DFL-St. Paul).

He has championed key reforms even under opposition from some members of his own party, who tend to support teachers’ union positions on such issues as alternative teacher licensure pathways and linking teacher evaluations with ongoing contract decisions. Both reforms are included in the omnibus K-12 education bill approved April 28 by the House K-12 Education Finance Division.

Rep. Pat Garofalo (R-Farmington) thanked Mariani, chairman of the House K-12 Education Policy and Oversight Committee,

for taking positions based on research, not interest group advocacy. “I know it’s hard to stand up to constituency groups that line up on your side of the aisle.”

Mariani was the lone DFLer to join division Republicans on an amendment unsuccessfully offered by Garofalo that would have included the governor’s even tougher reforms, including five-year tenure renewal.

Nevertheless, the bill will “demonstrate to the public our intent to push on the frontiers of education reform,” Mariani said.

Sponsored by House K-12 Education Finance Division Chairwoman Rep. Mindy Greiling (DFL-Roseville), HF2431 now goes to the House Finance Committee.

The competitive Race to the Top grant is an impetus for the proposed reforms but the tide of change is ongoing, Mariani said. He expects the anticipated reauthorization of the Elementary and Secondary Education Act, also known as No Child Left Behind, to maintain the trend of changing longstanding education practices.

The bill includes an alternative teacher licensure pathway, HF3093, sponsored by Mariani. It would allow candidates, such as Teach for America members, a limited two-year license if they have at least a bachelor’s degree, pass basic skills tests and complete at least 200 hours of instruction including student teaching. They could later apply for a continuing license.

However, Rep. Will Morgan (DFL-Burnsville) successfully offered an amendment proposing a similar alternative licensure plan. It would define much more narrowly the conditions where candidates for alternative licensure could be placed and delink the alternative process from the opportunity to move into a continuing license.

Alternative licensure pathways are intended to get teachers into certain high-need areas. Mariani’s bill would allow them to fill needs in shortage areas such as districts where too few qualified teachers have applied; or where racial and cultural diversity is sought to reflect the student population. The Morgan amendment would require all three conditions to be present in order to hire alternatively licensed teachers.

Mariani said the Morgan amendment, which he did not support, would cloud the issue in ongoing bill negotiations, and severely hamper a high-quality alternative licensure program from developing in Minnesota.

Another key reform would be annual teacher evaluations, as proposed in an amendment



PHOTO BY TOM OLMSCHEID

Tom Deans, an attorney with the Minnesota School Boards Association, follows along April 26 as the House K-12 Education Finance Division listens to a walk-through of the omnibus K-12 finance and policy bill.

**K-12 Education continued on page 22**





The State Capitol viewed from the World War II memorial garden.



A groundskeeper mows the grass around the south



# Spring

The manicured parkland on the Capitol Complex, which includes numerous sculptures and monuments, is some of the finest in St. Paul. The land that comprises the Capitol Mall quickly turns green by the end of April in Minnesota. These photographs capture some of the greenery on the Capitol Mall with the use of a Wratten no. 87 infrared filter, capturing light in the invisible infrared spectrum that can give images an otherworldly and dreamlike appearance. Spring foliage and greenery is accentuated by the infrared effect. 🌱





theast side of the Capitol



Somber light fills the space at the Korean War Veterans memorial



Morning shadows near the Vietnam War memorial

# green in infrared

Photos by Andrew VonBank



The morning sun silhouettes the Charles Lindbergh memorial



Young spring foliage seems to cascade around the Capitol

# Supplant or supplement?

Some think constitutionally dedicated funds may be filling traditional funding void

By LEE ANN SCHUTZ

**M**ost state agencies, local governments and schools relying on the state's General Fund are facing cuts, but the same can't be said for many outdoor and clean water projects.

Thanks to a 2008 voter-approved constitutional amendment raising the state's sales tax, about \$60 million is expected to be available in fiscal year 2011 for outdoor heritage and clean water projects.

However, now in the second year of making appropriations, the new constitutional amendment is going through some growing pains — aggravated by the current biennium's deficit — that may end up needing a court resolution.

The omnibus heritage and clean water fund bill contains recommendations from the Lessard-Sams Outdoor Heritage Council, the group responsible for providing annual input to the Legislature on how funds generated by the dedicated sales tax should be spent.

Approved April 27 by the House Ways and Means Committee, HF3790, sponsored by Rep. Mary Murphy (DFL-Hermantown), awaits action on the House floor. It has no Senate companion.

Council recommendations contained originally in HF2882, sponsored by Rep. Rick Hansen (DFL-South St. Paul), see most of the spending. But two other bills are included: HF3502, sponsored by Rep. Jean Wagenius (DFL-Mpls), and HF3258, sponsored by Rep. Mike Beard (R-Shakopee).

When the House Cultural and Outdoor Resources Finance Division approved the bill April 15, Murphy, the division chairwoman, said project priorities include maximizing non-state funding matches and statewide significance.

The bill would allocate:

- \$18 million in projects for prairie restoration and acquisition of certain land and

easements to enhance prairie and prairie wetland habitat;

- \$17.5 million for projects related to aquatic habitat;
- \$16.9 million for several land restoration projects; and
- \$5.6 million for forest-related projects, including \$1.55 million for Pheasants Forever to acquire land for sharp-tailed grouse habitat in certain northern Minnesota counties.

The bill also appropriates supplemental funds from the clean water fund, establishes a metropolitan area groundwater monitoring fee and an account to provide matching funds for costs of establishing a groundwater monitoring program in the 11-county Twin Cities metropolitan area.

Other provisions call for the Office of the Legislative Auditor to conduct restoration audits. According to the nonpartisan House Research Department, these are scientific evaluations of restored land to determine whether the restoration meets the requirements of the dedicated funds received. Audit costs would be paid by the funds.

The bill permits dedicated funds not spent in 2010 to be carried over for use in fiscal year 2011, and for land acquisitions through fiscal year 2012.

At the end of fiscal year 2011, the outdoor heritage fund balance is estimated to be \$9.7 million and the clean water fund \$2.7 million, Murphy said.

Issues raised during the committee process are expected to be aired when the bill is

considered by the full House, Murphy said.

The main problem is that the constitutional amendment calls for the dedicated funds to supplement, not supplant, traditional funding. Amendment supporters wanted to ensure the priorities supported by the dedicated funds would continue to be enhanced. Murphy said that ultimately the supplement/supplant language may only be resolved by the courts.

"I'll go forth with the idea that this discussion has to take place with the whole body and then with the Senate, who will become part of the conference committee, because it still isn't clear enough in my mind," Murphy said.

Reinvest in Minnesota Reserve funding points to the confusion.

Historically, RIM has received funding through the capital investment law. This year, the governor's line-item veto, took away its \$25 million, which also translated to a federal match loss of \$35 million. The council funding recommendation of nearly \$7 million was intended to act as a supplement.

Rep. Will Morgan (DFL-Burnsville) questioned whether this could now be considered supplanting the budget, since bonding is RIM's traditional funding source.

"This is the add-on," said Michael Kilgore, council chairman. "The amount we are recommending is above our recommendations brought to you in January, before the capital investment bill was put together, and before the governor's veto. ... This is above and beyond the traditional funding."

Murphy countered, "If this committee takes your recommendation for RIM, how can we say we are not supplanting? ... This is turning into 'not above and beyond,' but 'instead of.'"

"Your intentions were correct; the Legislature's intentions were correct; but it was interfered with by the governor's veto," said Rep. Phyllis Kahn (DFL-Mpls). "This is one of the textbook cases we looked at when we said we didn't want supplanting to happen."





# Erring on the side of openness

Open meeting law could include advisory board actions

BY PATTY OSTBERG

**W**hen a school board or city council directs a group of volunteer citizens to discuss an issue as a side group, should those meetings be open to the public?

Rep. Michael Paymar (DFL-St. Paul) believes they should.

He successfully offered an amendment to HF2958, sponsored by Rep. Gene Pelowski, Jr. (DFL-Winona) that would change the state's open meeting law by redefining "a meeting of a public body" to include advisory groups to formal councils and boards.

The bill would also clarify timelines for when special meetings should be posted, and reiterate that public meetings can be recorded and photographed by the public.

Approved April 27 by the House State and Local Government Operations Reform, Technology and Elections Committee, it now goes to the House Rules and Legislative

Administration Committee. A companion, SF2518, sponsored by Sen. Ann Rest (DFL-New Hope), awaits action by the full Senate.

## Advisory groups included

Laurie Beyer-Kropuenske, director of the Department of Administration's Information Policy Analysis Division, said the open meeting law is supposed to balance efficient government with transparency by allowing the public to monitor meetings. "So much of the open meeting law has been changed in the subject of case law and commissioner and attorney general's advisory opinions, the answers aren't that easy, and there's a lot of public confusion about this law," she said.

Paymar served on a city council for eight years and has been a House member since 1997. "We should shine as much light on the meetings and activities of government as we possibly can."

Under the bill, a public body would be defined as "a governmental multimember state, regional, or local appointed or elected body with governmental powers; a committee, subcommittee, board, commission, or other subset of a body with governmental powers." The definition would further clarify that an advisory group is one established by a public body or subset of a body that uses public resources for the group's work.

Tom Deans, attorney for the Minnesota School Boards Association, said advisory volunteers are often parents who are busy and work in informal settings through phone calls, meeting in people's homes or even riding together in a car. They might make a few copies of materials using public resources, he said, but subjecting them to open meeting law requirements could be severely limiting.

Rep. Ryan Winkler (DFL-Golden Valley)

**Government continued on page 22**



PHOTO BY ANDREW VONBANK

**Members of the House State and Local Government Operations Reform, Technology and Elections Committee listen April 27 to testimony on a bill that would make several changes to the open meeting law.**

# Turn your key and breathe

House approves ignition interlock bill that would let DWI offenders drive sooner

By MIKE COOK

**T**he Department of Public Safety estimates that one of every eight licensed drivers in the state has a DWI on their record; and one of every 18 drivers has two or more.

There were 163 alcohol-related fatalities in Minnesota in 2008, about 36 percent of all traffic fatalities, a percentage that has stayed consistent over the years. That same year, there were 35,736 DWI arrests in Minnesota, with about an equal split between the Twin Cities metropolitan area and Greater Minnesota.

Drunken drivers might be able to get their driving privilege back sooner if they are willing to breathe into a tube.

Sponsored by Rep. Karla Bigham (DFL-Cottage Grove) and Sen. Steve Murphy (DFL-Red Wing), HF3106 makes changes

to the state's DWI laws, such as including felony DWI convictions in other states when determining enhanced DWI penalties in Minnesota, and increasing and restructuring the license revocation period for refusing a chemical test based on number of infractions in a specified number of years.

However, its highlight might be decreasing the no-driving period if the person agrees to use an ignition interlock device. It is an initiative of Gov. Tim Pawlenty.

Approved 131-0 by the House April 26, the bill awaits action by the Senate Rules and

Administration Committee. Bigham expects a conference committee will be needed to agree on all provisions.

The device is installed in motor vehicles to prevent them from being started if a driver's breath exceeds a preset breath-alcohol content limit, which would initially be 0.02 percent, but increase to 0.05 percent in 2013. The vehicle will not start if the limit is exceeded. A driver would also have to breathe into the device at certain times once the vehicle is started. If a driver fails a test, the vehicle would shut down. A driver with a BAC of 0.08 or greater is considered legally drunk.

"You get your driving privilege earlier if you use this," said Cheri Marti, director of the state's Office of Traffic Safety. Currently, full driving privileges are canceled for between three months and six years for a DWI offense, depending on number of offenses.

Under the plan, a first-time offender would have no driving provisions for 15 days and a three-month revocation of driving privileges (one year if the offender's blood-alcohol concentration is 0.20 percent or greater). However, full driving privileges would be granted for the remainder of the revocation period after the no-driving period if the offender agrees to the ignition interlock restrictions.

For multiple DWI offenders, the no-license period is increased to 30 days before full driving privileges are reinstated with an interlock ignition device. Time using the ignition interlock is increased by the number of offenses, from one or two years for a second time offender, based on BAC level, up to six years for five or more offenses no matter the BAC level.

It's a very good tool at reducing repeat drunken drivers, said Rep. Steve Drazkowski (R-Mazeppa). "It's reducing repeat drunk drivers by over 90 percent in the states it's been used. This allows us ... to focus on people's behavior while they're in the vehicle."

"This is one of the most effective tools to



PHOTO BY ANDREW VONBANK

**A driver uses the ignition interlock device to start her vehicle. The vehicle will not start if a driver exceeds a preset breath-alcohol content limit.**

**Safety continued on page 23**



# Demmer winds down fourth, final term

### Former corn farmer plans to keep lending an ear to constituents

Editor's Note: As the 2010 session winds down, several members have announced their intentions to leave the Minnesota House of Representatives for new adventures. They leave a legacy of service that will remain part of legislative history.

By SUE HEGARTY

Whoever wins Rep. Randy Demmer's House seat this fall will likely face a similar state budget deficit as when Demmer first took office in 2002.

"It was a great challenge, and I remember that," said the four-term legislator.

Demmer (R-Hayfield) is stepping down from one seat, but not out of the political arena. He's the 2010 Republican-endorsed candidate for Congress from southern Minnesota's 1st Congressional District.

Growing up in Hayfield, Demmer worked on his family's corn and soybean farm. After a year at Colorado College, he returned to earn a business degree from the University of Minnesota. His entrepreneurial spirit inspired him to develop an accounting software program to help farmers manage their bookkeeping.

Demmer served on the school board, was active in several community organizations and converted his father's vacated farm implement dealership into an auto parts store while continuing to farm. All of the enterprises grew, acre by acre, store by store.

That's when former Republican House Speaker Steve Sviggum took notice and wooed the him to run for state office.

"I didn't know that much about politics at all. He convinced me it wasn't about politics; it was about representing people. ... He was right," Demmer said.

As a freshman legislator, he sponsored a bill to change the name of the Department of Children, Families and Learning back to the Department of Education. Although the bill was non-controversial, his elder statesmen couldn't let him get off that easy. "A few people had to ask questions. They had to come up with something to see if I could speak for myself at the podium."

Much more contentious was a bill that would have required school districts to complete contract negotiations with bargaining units prior to the start of the school year so that teachers could focus on teaching. If a contract couldn't be reached in the fall, they would have to suspend negotiations until the school

year concluded in the spring.

"It just removes an adversarial situation with adults while kids are present, because it should be about the kids," Demmer said. The bill didn't become law.

He became assistant minority leader in 2009. Duties included recruiting candidates, making committee assignments, managing Republican Caucus staff and creating harmony among members.

"We're all here for the same reasons. Sometimes we have differences of opinion about how to get there, but we have similar goals: No. 1 as legislators and people working for the good of the state of Minnesota, and No. 2 as conservatives who have a certain idea of how we'd like to see things done. Keeping that in mind has been helpful."

Regardless of his political future, Demmer said it's time to move on and let someone else contribute. "I think some turnover is good. It's a citizen Legislature and other citizens can come in and do this if you're willing to put in the time, and you come in with the right attitude of listening and remembering who you're here for."

Demmer has the support of his wife, Kathy and their three grown daughters as he moves into a new political arena. "It is public service. We both understand that. And this is something we can do. Her parents are there; my parents were there ... she had that support there and it's been a great thing for us."



PHOTO BY ANDREW VONBANK

**Randy Demmer is the Republican-endorsed candidate for the 1st Congressional District.**

## STEPPING DOWN

Rep. Randy Demmer  
Republican  
District 29A - Hayfield  
Terms: 4 (elected 2002)  
Advice to successor: "Listen to all sides of arguments. Don't go with whims because you're going to get advice on all sides of an issue. Go with the principles and values you have."



# Sinking the law on sunken timber

DNR intends to let sleeping logs lie

By SUE HEGARTY

**E**very now and then, a floating log becomes snagged — bobbing on the surface where it neither sinks nor moves with the current.

The same could be said for a nondescript law that was effective for just a few months between 2000 and 2001. The law required the Department of Natural Resources to issue permits to divers for the removal of sunken logs — also known as bobbers, deadheads or sinkers — from the bottom of Minnesota lakes and inland rivers. However, during a 2001 special session, a permanent moratorium was placed on the “Removal of Sunken Logs,” so the law sat in limbo from then until now.

Unlike today’s fast-growth timber stands, deadhead logs are revered for their tight grain and splendid colors. Sunken pine is used to make furniture and flooring. Guitars and violins made with sunken hardwood logs are said to produce musical sounds that cannot be replicated.

The DNR publicly opposed the law since its inception because removing the logs could have negative biological and environmental impacts on the lakes and shore land, said DNR Waters Director Kent Lokkesmoe.

Embedded in the current House omnibus environment finance bill is a section to delete the “Removal of Sunken Logs” law and replace it with: “The commissioner of natural resources must not issue leases to remove sunken logs or issue permits for the removal of sunken logs from public waters.”

The proposed about-face originated with the DNR this year when it submitted its annual “technical bill” to the chairman of the Environment Policy and Oversight Committee. Typically, such bills are designed to clean up noncontroversial legislation, said committee chairman Rep. Kent Eken (DFL-Twin Valley). After the committee approved the policy bill, it was folded into HF3702,

sponsored by Rep. Jean Wagenius (DFL-Mpls).

“I know that the impetus behind it was the disruption of the bottom of the water beds, not only that, but also some of the damage that’s done when removing the logs on the shoreland if you’re dragging them across the land,” Eken said. “I think that we should

evaluate it further. ... We don’t want to be so rigid and strict that we can’t do things that are of historical significance, for instance.”

To understand the sunken log’s nemesis, take a look back 200 years and revisit Minnesota’s historic logging era.

## Logging’s rich heritage

Two of Minnesota’s mythical icons are a sturdy lumberjack named Paul Bunyan and his trusty blue ox, Babe. The folklore is reflective of the immigrants who moved west across America, contributing to an economic boon in the lumber industry, which provided jobs and materials to build their homes and furniture.

Before modern transportation, lumberjacks cut and dumped timber into Minnesota lakes



Lumbermen from Elias Moses’ logging camp driving logs on the Rum River.

Photographer: Whitney  
Photograph Collection 1864  
Photo courtesy of the Minnesota Historical Society

where it was stored during the winter. After the spring thaw, the logs were steered toward rivers where they floated downstream to burgeoning saw mills.

In the mid-1800s, loggers sent timber down the Mississippi and St. Croix rivers from the northern pine and hardwood forests to saw mills in Minneapolis and Stillwater. Each camp stamped its logs with a distinctive marking before dumping them into the water with the other logs. The rivers became so full one could literally walk across the river.

Some logs sank in the lake bottoms in the midst of their downstream journey. Thousands are presumed abandoned in river bottoms and lake beds to this day.

### Whose log is it?

When the logs arrived at the mills, they were sorted by their owner's stamp and handled accordingly. Without the invention of SCUBA gear, the sunken logs were abandoned and have rested in the cold dark waters 20 to hundreds of feet below the surface for the past 200 years. The lack of oxygen and light, combined with cold water temperatures, preserves the old logs as if they were freshly cut.

The State of Minnesota v. Bollenbach court case in 1954 established that soil under navigable bodies of water rightfully belongs to the state. Underwater logging applications were reviewed by the State Historic Preservation Office. The Department of Administration handled the requests and issued permits because abandoned logs were considered state property.

The SHPO required underwater loggers to gain permission from the state, to document log recovery locations, to turn over tools and artifacts to the state, and to photograph an owner's stamp on the logs.

Then in 2000, Craig Waddell of Remer talked with Rep. Larry Howes (R-Walker), who sponsored a bill on Waddell's behalf that required the DNR to design the lease program for underwater logging. Gov. Jesse Ventura signed the law April 6, 2000, and it became effective June 1, 2000.

Three leases were awarded by the DNR for a three-year period.

Divers such as Waddell and his cousin Dan Winger, also of Remer, received one of the leases. However, public pressure arose from lake associations and the moratorium was passed. The DNR was required to cancel the leases and refund the application fees.

"Lake association people thought they were going to see cranes and barges," Waddell said, even though the lease terms stated that the only acceptable method of recovery was winching



Magnuson and Lindell Logging Camp.

Photographer: Burkhart  
Photograph Collection ca. 1890  
Photo courtesy of the Minnesota Historical Society

to minimize sediment disturbance.

Waddell said he did a test pull of a log and an anchor, and the anchor disturbed the sediment as much or more than the log.

Howes said the issue was thoroughly vetted and there was no opposition in committee. The House voted 129-3 to approve the bill.

"I believe the DNR completely messed up the process from the beginning," Howes said. "If done right it would be very valuable to the state."

For example, the wood could be sold and a percentage of the revenue could be turned over to the state to help fund education, similar to the way forestry activities supplement public education today, Howes said.

### Economics vs. environmental damage

One of those who voted against underwater logging in 2000 was Rep. Alice Hausman (DFL-St. Paul). Hausman said when choosing between the valuable timber and water quality, she voted to protect the water quality.

Divers have discovered cultural and historic relics that predate statehood in Minnesota lakes.

"There's artifacts from the beginning of time," said Waddell, who was interested in deadhead logs to make souvenir jewelry boxes, gumball machines and other trinkets from the high-grade timber.

His sonar found Native American canoes from fur-trading days, along with less appealing modern debris such as barrels he suspects were dumped during the industrial revolution. Howes agrees there are more than

logs at the bottom of Minnesota lakes. During the 1960s, residents would park a car on the ice and take bets on what date the vehicle would sink, he said.

Other states have faced similar debate between water quality and underwater logging activity. California and Florida also have allowed deadhead logging for periods of time. In Michigan, an entire wagon load of deadhead timber and the horse harnesses were found at the bottom of a lake. The antique value was estimated at more than \$1 million, Howes said.

With no interest in lifting the moratorium to commence underwater logging, the DNR, which still receives requests for leases, is asking the Legislature to change the law.

In the Senate, where Sen. Ellen Anderson (DFL-St. Paul) is the sponsor, the language is part of SF3275, which was passed 63-4 on April 28. House action could be soon because the Legislature must constitutionally adjourn by May 17.

"I don't think that we should completely close the door on it. I'm not one who believes that we'll say that we'll never do this again because you never know, and we could develop some new technologies and there's some real value there," Eken said.

**Sources: "History of the White Pine Industry in Minnesota" by Agnes M. Larson; Department of Natural Resources; Minnesota Statute 103G.650; "Beneath Minnesota Waters: Minnesota Submerged Cultural Resources Preservation Plan"; Cass County Historical Society's Cass County Clippings.**



## K-12 Education continued from page 13

successfully offered by Mariani. They're not required now, though some schools conduct them regularly.

Developing the evaluation process would be negotiated as part of a district's collective bargaining agreement, but it would have to include multiple measures of teacher performance assessment, such as a portfolio of work, peer evaluation and the use of longitudinal data on student academic growth. While the proposal calls for strong supports, including professional development opportunities and peer and mentor coaching, the evaluations could be used to dismiss teachers who do not measure up.

Other policy provisions include tighter licensing rules for teachers and administrators; certain data sharing that could help the Board of Teaching, the Board of School Administrators and the Education Department to track educators' performance; a new, end-of-course algebra assessment that creates a new model for accountability; and two different approaches to alternative teacher licensure pathways.

The bill proposes task forces in three areas:

- to encourage districts with fewer than 5,000 students to explore ways to share administrative, instructional and extracurricular activities;
- to follow-through on last year's pledge to recommend alternative routes to graduation for students most at-risk or off-track to graduate from high school, after backing

off on a high-stakes math test as a condition of graduation; and

- to recommend changes and legislation to the \$114.5 million integration and desegregation revenue program, which a 2005 report by the Office of the Legislative Auditor said lacks a clear purpose, is too loosely monitored by the Education Department and sometimes funds activities of "questionable" value.

The bill also incorporates the intent of HF3475, sponsored by Rep. Denise Ditrach (DFL-Champlin), which would establish an independent agency to monitor the permanent school trust land management.

Ditrach's bill awaits action by the House Rules and Legislative Administration Committee. Sen. Chuck Wiger (DFL-Maplewood) sponsors a companion, SF3042, which awaits action by the Senate Environment and Natural Resources Committee.

The bill would also require school districts to adopt statewide physical education standards based on existing national standards, and would encourage them to participate in a Healthy Kids Award program and to implement quality recess practices. It would also encourage, but not mandate, districts to promote mental health instruction and would provide resources on age-appropriate curricula.

An early graduation program introduced last year by Garofalo, HF1177, would award eligible 12th grade students scholarships up to \$7,500, which could be used at any accredited higher education institution. Districts' resulting per pupil savings could be applied to

an optional all-day kindergarten program.


Education advocates praised the bill's financial relief proposals.

The bill would codify \$1.7 billion of state aid and property tax payment shifts authorized by the governor last year, ensuring they will be repaid; allow school boards to extend an expiring operating referendum by a written resolution instead of a ballot question; and facilitate third-party billing of health care plans so school districts could more easily recoup special education costs from insurance companies or Medicaid.

"This is a real tough time for us in schools," said Roger Aronson, legal and legislative counsel for the Minnesota Elementary School Principals' Association. "These are some things we really need."

Education advocates also praised the "new Minnesota miracle" funding reform plan included in the bill. It would simplify the funding formula, increase the per pupil allocation from \$5,124 to \$7,500 and remove formula components that end up funding some districts at a greater rate than others. It would take effect in 2014, but the changes and their costs could be phased in over time as new revenue is generated.

The bill will eventually go to the House floor, then to a conference committee with Senate members, who will have to work out a compromise between their different versions of the bill.

The Senate omnibus bill, SF3028, sponsored by Sen. LeRoy Stumpf (DFL-Plummer), awaits action by the Senate Finance Committee. 

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## Government continued from page 17

said, "If the school board takes a formal action to request a group, appoints a group to give them advice ... Why would you not have a presumption that the public gets to have input?"

"These people are not trained in open meeting law compliance," Deans countered, adding that people might be reluctant to volunteer.

Consider the scenario where a school board meets with a select group of parents about closing schools and they bring information back to an official board meeting and make the decision with little public input, said Paymar. "I'm not saying that all of these meetings have to be recorded or televised. ... I'm just saying that the public should be notified where they are and give dates."

This tries to get at those exact advisory groups that come to an agreement and bring

it to the official board or council for "rubber stamp" approval, Winkler said.

Ann Higgins, intergovernmental relations representative for the League of Minnesota Cities, said many cities rely on citizen input, especially during hard budget times. At a time most cities are reducing staff, the advisory groups would most likely need assistance from city staff if they were required to comply with open meeting law standards, she said.

### Legislative responsibility


Including advisory groups in the open meeting law is something House and Senate members should consider, Paymar said. "The Legislature really needs to take a look at its own process. If the public knew how some decision-making occurred around here I think they would be aghast."

Working under a different set of guidelines, the Legislature creates a lot of working

groups that the public and press never know about, said Paymar. While the decisions that are made in them are brought to formal committees, they are only seeing half the truth, he added.

Keith Carlson, executive director of Minnesota Inter-County Association, said the changes aren't practical at the Capitol and they aren't for cities. "Think about if you impose those same requirements on yourselves."

"If we really want to be advocates of open meeting, we ought to look at ourselves first," said Rep. Morrie Lanning (R-Moorhead). If local governments conducted business the same as the Legislature, "they'd be in jail," he said, referencing decisions made in closed caucuses and meetings.

"I could not agree with you more," Paymar responded. "Government works better when the public is fully informed." 



## Safety continued from page 18

keep people from driving while impaired,” said Susan McKinney, who directs the Breath Alcohol Ignition Interlock Device Program in Illinois.

All but three states have some type of ignition interlock law. According to the National Conference of State Legislatures, about 146,000 ignition interlock devices are in use nationwide.

This is not a new program; rather it is an expansion of pilot programs in Beltrami and Hennepin counties that began in 2007. Last year, the pilot project was expanded statewide, with about 700 participants now taking part. According to Bob Roeglin, a Hennepin County corrections unit supervisor, none of the 100 or so Hennepin County participants has reoffended.

McKinney said about 9,000 people took part in Illinois’ BAIID program last year, and about 1,300 tried, but could not, start their vehicle with a BAC above the state’s prescribed limit of 0.05 percent. “We obviously cannot count those that didn’t even try, but would have if not for the BAIID on their car.”

Officials have little concern that someone else could provide the initial sample to start the vehicle and to do so throughout the ride.


“There is some learning involved in how to blow into that tube properly,” Marti said. “There might be some humming, some short intake with breathing into that tube, so those that are not familiar with breathing into the tube would fail.” Some devices also have a small camera attached.

Bigham said it would cost an offender about \$100 monthly for the device and monitoring; \$50 for indigent people, as determined using

the same standards as public assistance. A judge could not force the state to cover an offender’s cost. “The costs are about one or two beers a day,” McKinney said. “From my experience, if they want to drive they’ll find the money.”

Concerns have been raised throughout the bill’s journey of friends or other family members wanting to drive the vehicle, but cannot because of the ignition interlock device.

“Offenders have said there is a bit of a stigma, but it’s worth it if I get to drive,” Roeglin said.

Other supporters note that a restricted license limits where one can drive, such as only to work or the grocery store, while using ignition interlock gives an offender full driving privileges, thereby being more family friendly. 

## BILL INTRODUCTIONS

APRIL 26 - 28, 2010

HOUSE FILES 3795 - 3817

### Monday, April 26

#### HF3795-Eken (DFL)

##### Finance

FEMA Public Assistance Program money appropriated.

#### HF3796-Lanning (R)

##### Finance

FEMA Public Assistance Program money appropriated.

#### HF3797-Mullery (DFL)

##### Public Safety Policy & Oversight

Law enforcement agencies required to adopt policies for maintaining gang investigative and evidence databases.

#### HF3798-Poppe (DFL)

##### Health Care & Human Services Policy & Oversight

Long-term care insurance premiums increases on existing policies prohibited without advance notice to policyholders and approval of the commissioner.

#### HF3799-Garofalo (R)

##### K-12 Education Policy & Oversight

Teacher and principal licensure provisions modified, commissioner granted authority in low-achieving schools and rulemaking authorized.

#### HF3800-Winkler (DFL)

##### Health Care & Human Services Policy & Oversight

Commissioner of human services required to conduct an assessment of

the placement of children under the guardianship of the commissioner.

#### HF3801-Dean (R)

##### Finance

MinnesotaCare program financial management procedures modified.

#### HF3802-Carlson (DFL)

##### Taxes

Mortgage interest credit allowed in lieu of the mortgage interest deduction for itemizers and non-itemizers.

#### HF3803-Welti (DFL)

##### Taxes

Property used for growing agricultural products used in the production of wine allowed to be eligible for the green acres program.

#### HF3804-Marquart (DFL)

##### Taxes

Levy limits; adjustment for inflation modified.

#### HF3805-Liebling (DFL)

##### Taxes

Drugs and medical devices sales and use tax treatment changes made.

#### HF3806-Obermueller (DFL)

##### Taxes

Spouses of deceased disabled veterans or service members who die while in active military service allowed to qualify for the senior deferral program.

#### HF3807-Marquart (DFL)

##### Taxes

Limitation extended on seeking authorization.

#### HF3808-Jackson (DFL)

##### Taxes

Property tax due dates provisions modified.

#### HF3809-Murphy, E. (DFL)

##### Taxes

Surcharge on managed care plans increased and managed care payment rates increased.

### Tuesday, April 27

#### HF3810-Howes (R)

##### Transportation & Transit Policy & Oversight Division

School bus crossing control arms required.

#### HF3811-Drazkowski (R)

##### K-12 Education Policy & Oversight

School district mandates reduced and moratorium created on unfunded mandates.

#### HF3812-Downey (R)

##### Finance

School district contract deadline aid payment waived.

#### HF3813-Simon (DFL)

##### State & Local Government Operations Reform, Technology & Elections

Ballot requirement designating certain judicial candidates as incumbents eliminated.

### Wednesday, April 28

#### HF3814-Hilty (DFL)

##### Energy Finance & Policy Division

Electricity generated from anaerobic digester system provisions modified.

#### HF3815-Olin (DFL)

##### Environment Policy & Oversight

Commissioner of natural resources required to implement management strategies for deer in the bovine tuberculosis management zone.

#### HF3816-Olin (DFL)

##### Environment Policy & Oversight

Commissioner of natural resources prohibited from surveying and adjusting boundaries of certain lands.

#### HF3817-Johnson (DFL)

##### Commerce & Labor

Switched access services regulation modified.

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— K. BERGGREN

**Sources: Butler Center for Research, Hazelden; Department of Health; Substance Use in Minnesota surveys, Department of Human Services; Boynton Health Service, University of Minnesota; Minnesota Municipal Beverage Association; Minnesota Grape Growers Association; Minnesota Office of Traffic Safety; National Institute on Alcohol Abuse and Alcoholism.**

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# SESSION WEEKLY

A black and white photograph of a man in a suit and cap holding an American flag, with many other flags in the background.

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MINNESOTA HOUSE OF REPRESENTATIVES • PUBLIC INFORMATION SERVICES

VOLUME 27, NUMBER 13 • MAY 7, 2010

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## SESSION WEEKLY

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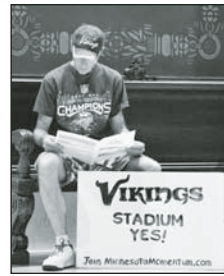
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Session Weekly (ISSN 1049-8176) is published weekly during the legislative session by Minnesota House of Representatives Public Information Services, 175 State Office Building, 100 Rev. Dr. Martin Luther King Jr. Blvd., St. Paul, MN 55155-1298. Periodicals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

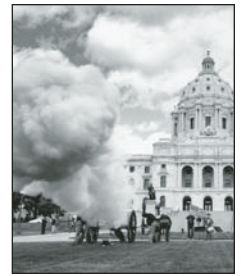
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On the cover: Clay Washington, a Hennepin County Child Protection social worker, adjusts one of the 1,000 American flags placed on the lower mall of the Capitol April 29 as part of the "Healing Field for Child Abuse Prevention" during the last weekend of Child Abuse Prevention Month.

— Photo by: Tom Olmscheid



PHOTO BY TOM OLMSCHEID

At a May 5 news conference, Gov. Tim Pawlenty reacts to the Minnesota Supreme Court's decision in the unallotment lawsuit saying, "I strongly disagree with this 4-3 decision by the court." Others at the press conference, include from second left, Minnesota Management & Budget Commissioner Tom Hanson, Deputy Chief of Staff Brian McClung, State Budget Director Kristin Dybdal and Deputy Revenue Commissioner James Schowalter.

## Unallotment undone

Court decision throws governor, lawmakers a curveball

BY BRENDA VAN DYCK AND NICK BUSSE

**T**he final days of the legislative session are often full of surprises, but the state's highest court just added a new twist.

On May 5, the Minnesota Supreme Court ruled that Gov. Tim Pawlenty overstepped his executive authority when he unilaterally cut \$2.7 billion from the state budget last summer. In a 4-3 decision, the court said the governor's action, known as "unallotment," exceeded his statutory powers because he did it before the budget-making process was complete.

After signing all of the Legislature's budget bills last year, Pawlenty vetoed a tax bill that would have raised new revenues needed to pay for the spending. The Legislature had already adjourned when he announced his intention to solve the remaining \$2.7 billion biennial budget himself through unallotment. The court said this was an executive overreach.

The decision deals with a specific program the governor unallotted, but the implications are much broader. By the governor's own

calculations, the ruling effectively adds another \$2.5 billion to the state's estimated \$536 million biennial deficit.

"I strongly disagree with this split court decision," Pawlenty said at a press conference. "Nonetheless, this decision is going to require the Legislature and my administration to address its budget impacts."

Some lawmakers see the court's ruling as reaffirming the Legislature's primacy in setting the budget.

"The decision reestablishes a balance of power, or clarifies the separation of powers, between the legislative branch and the executive," said Rep. Lyndon Carlson Sr. (DFL-Crystal), chairman of the House Finance Committee.

DFLers had argued all along that Pawlenty had overstepped his authority,

using unallotment to set the state's budget himself rather than working cooperatively with legislators. Republicans saw it much differently.

Rep. Mary Liz Holberg (R-Lakeville) said unallotment was necessary because the Legislature ignored the governor's warning about not raising taxes. The Republican lead on the House Ways and Means Committee worries the court's decision will lead to legislative gridlock.

"If a Legislature refuses to pass bills that the governor can sign, I mean, this could go on for months," Holberg said. "I hope that the Democrats recognize that the governor is not going to sign tax increases."

What happens next is unclear. Pawlenty said he doesn't know whether the court's ruling precludes him from further using his statutory unallotment powers to trim the budget. He's asking lawmakers to ratify the unallotments from last year, as well as pass his supplemental budget proposals.

The House's K-12 education finance bill includes a plan to ratify the governor's \$1.8 billion school aid payment shifts, but the remaining budget solution is yet to be determined. The Legislature is constitutionally mandated to adjourn by May 17.

"We're at the table to solve problems," said Rep. Loren Solberg (DFL-Grand Rapids), House Ways and Means chairman.

**First Reading continued on page 4**

### Process of unallotment

Governors have scarcely used unallotment in the state's history.

State law outlines the process for unallotment, which is unallotting or reducing the amount of money that has been allotted to particular areas in the state budget. State law grants this power to governors if certain economic conditions have been met. Only three governors have used this power: Gov. Al Quie used it twice, Gov. Rudy Perpich once and Pawlenty three times.

Pawlenty's unallotment last summer to balance the state budget was historic in its amount and is the first time that an unallotment has been successfully challenged in court.

The Minnesota Constitution requires that the state budget be balanced at the end of a fiscal biennium. If anticipated revenues will not meet the anticipated expenses, the governor can unallot.

Before a governor can unallot, the commissioner of Minnesota Management & Budget must determine that receipts in the General Fund are less than anticipated and that revenues will be less than what is needed for the remainder of the biennium. The commissioner generally uses the November and February economic forecasts to determine if there is a deficit.

Legislators have little involvement in the

Unallotment history		
Date	Governor	Amount
August 1980	Al Quie	\$195 million
November and December 1981	Al Quie	Local government and school aid payments were unallotted, but then reallocated and paid in February 1982
April 1986	Rudy Perpich	\$109 million
February 2003	Tim Pawlenty	\$281 million
December 2008	Tim Pawlenty	\$269 million
June 2009	Tim Pawlenty	\$2.68 billion

unallotment process. Prior to implementing the unallotments, the commissioner must consult with the Legislative Advisory Commission, a six-member commission made up of House and Senate finance, taxes, and ways and means committee chairs. The LAC has no power to stop the unallotments, but it must be notified at least 15 days before the unallotments occur.

The law does not clearly address when unallotment can occur. In most of the unallotments in recent years, governors have waited for the Legislature to address budget shortfalls within a biennium before unallotting. In its ruling against Pawlenty, the Supreme Court said, "The unallotment statute provides the executive branch with authority to address an unanticipated deficit that arises after the legislative and executive branches have enacted a balanced budget."

### 2009 unallotments

A large portion of the budget to be unallotted was aid to cities and counties, which totaled \$300 million over the two-year biennium. Another big chunk came out of health and human services spending, which totaled \$210 million. Higher education was cut by \$100 million, split evenly between the University of Minnesota and the Minnesota State Colleges and Universities system. Most state agencies had their budgets cut by 2.25 percent for a savings of \$33 million. The governor also delayed K-12 education aid payments, beginning in fiscal year 2010, for a savings of \$1.77 billion.

It didn't take long for the first lawsuit to be filed. In July, then Minneapolis-mayoral candidate Robert Carney Jr. filed suit over the governor's unallotment of the tax refund program for political contributions. Under the program, Minnesotans could receive up to \$50 in refunds for their contributions to political campaigns. Pawlenty's unallotment canceling the program resulted in a savings of \$10.4 million. In January 2010, Ramsey County District Court Judge Kathleen Gearin, dismissed the case, rejecting Carney's argument that the program wasn't subject to unallotment because it was a tax refund.

But a second lawsuit filed in November raised the stakes by challenging the constitutionality of the governor's actions. Six people filed suit in Ramsey County District Court over the governor's unallotment of funds for a special diet program and changes to the renter's credit tax refund program. Part of the governor's unallotment in human services was the elimination of \$5.3 million in funding for the Minnesota Supplemental Aid Special Diet Program. For the renter's credit program, which is a property tax refund program, the governor changed the percent of rent constituting property taxes from 19 percent to 15 percent, for a total savings of \$50.8 million.



PHOTO BY TOM OLMSCHIED

Senate Majority Leader Larry Pogemiller, from left, Sen. Tarryl Clark, House Majority Leader Tony Sertich and House Speaker Margaret Anderson Kelliher arrive at Gov. Tim Pawlenty's office May 6 to discuss ways to resolve the state budget shortfall.

First Reading continued on page 22



**Editor's note:** The following Highlights are coverage of select bills heard in House committees and other House activities held April 29- May 6. Designations used in Highlight summaries: HF-House File; SF-Senate File; CH-Chapter; and \*- the bill version considered by the House or the bill language signed by the governor.

## BUDGET

### Authority to move funds

Dedicated funds resting in the state's General Fund account could be moved to a special revenue account. But to do so, Minnesota Management & Budget needs legislative authorization.

Rep. Loren Solberg (DFL-Grand Rapids) sponsors HF2037 that would allow the move. Passed 124-0 by the House May 5, it now moves to the Senate where Sen. Richard Cohen (DFL-St. Paul) is the sponsor.

Examples of the funds to be moved include

fees received by the Department of Natural Resources for underground storage tanks; contaminated site cleanup and development grant funds in the Department of Employment and Economic Development; and Supreme Court guardian ad litem reimbursement.

"The appropriations will still take place; the accounting will take place. It's just these special revenue accounts won't be housed in the General Revenue Fund," Solberg said.

Rep. Mary Liz Holberg (R-Lakeville) expressed concern during the committee process about possible unintended consequences of the move, especially giving the appearance of a lower General Fund balance, possibly leading to a less-than-desirable interest rate from bond houses.

— L. SCHUTZ

### Budget resolution update

With the legislative session inching closer to adjournment, members of the House Ways and Means Committee approved an updated House budget resolution May 3.

Committee Chairman Rep. Loren Solberg

(DFL-Grand Rapids) successfully amended the resolution, which reflects the House's overall budget plan, to incorporate spending cuts made in a supplemental budget law signed April 1 by Gov. Tim Pawlenty (HF1671\*/SF3223/CH215).

The amended resolution calls for a total of \$994 million in spending cuts, which is an amount identical to the resolution's previous version; however, several budget targets have been changed to reflect actual reductions now in law. Cuts in the resolution now include:

- \$109.9 million for tax aids and credits (previously \$105 million);
- \$57.1 million for higher education and workforce development (previously \$52.6 million);
- \$35.4 million for public safety (previously \$35.9 million);
- \$32.9 million for state government (previously \$16.3 million);
- \$23.7 million for energy and commerce (previously \$49.8 million);
- \$23.6 million for environment and natural resources (previously \$16.3 million);

## THREE-SECOND DELAY



PHOTO BY TOM OLMSCHEID

The New Ulm Battery, left, fires its original 1856 six-pound field gun as the Princeton Regulars prepare to fire their 1864 three-inch parrot field gun copy during a salute as part of the Freedom Day celebration on the Capitol Mall May 1. Members of the New Ulm Battery include Cpt. John Allison, 1st Lt. John Fritsche, 2nd Lt. Keith Allison and Pvt. Matt Hellendrung. Members of the Princeton Regulars include Cpt. Bernard Huseh, Master Sgt. Steven Albrow and Pvt. Kurt Schwarz.

- \$14.5 million for transportation (previously \$5.6 million);
- \$7 million for agriculture, rural economies and veterans affairs (previously \$6.7 million); and
- \$5.8 million for housing and public health (previously \$6.5 million).

No changes were made to the House's budget plan for health and human services (a proposed reduction of \$710 million), K-12 education (a proposed reduction of \$1 million) and early childhood education (a proposed reduction of \$7.5 million).

The resolution includes a \$408 million placeholder for federal Medicaid funds that are expected, but have not yet been appropriated by Congress. Rep. Mary Liz Holberg (R-Lakeville) criticized the decision to include the as-yet-unapproved money, arguing it would leave a large portion of the budget dependant on "a hope and a prayer."

Rep. Thomas Huntley (DFL-Duluth) responded that the money, if appropriated, would not arrive until January 2011 anyway. If Congress fails to approve the funding, the Legislature may have to hold a special session this year or pass budget cuts early in the 2011 regular session, Huntley said.

The changes also reflect budgetary impacts of a new law that makes donations to Haiti relief efforts tax exempt (HF2763/SF2352\*/CH187), and another that provides a package of tax credits designed to stimulate job growth

— N. BUSSE

## BUSINESS

### Entrepreneur resource network

**Signed  
by  
the  
governor**

Thinking about starting your own business? You may get some help from a new law.

Sponsored by Rep. Julie Bunn (DFL-Lake Elmo) and Sen. Terri Bonoff (DFL-Minnetonka), a new law will establish a website where entrepreneurs can access both public and private resources to help establish and grow their businesses.

The Minnesota Entrepreneur Resource Virtual Network will be created to provide small business owners with access to technical assistance, grants and other support services. As stated in the law, the network is designed to assist in the creation of new Minnesota ventures, the growth of existing businesses, and the ability of Minnesota entrepreneurs to compete globally.

The network will be established under the umbrella of the Department of Employment and Economic Development; however, no

## From the House to the mansion

The House of Representatives has been a fertile breeding ground for gubernatorial candidates over the past 153 years, but the 2010 election marks a historic first.

It's the first time that two sitting House members are their party's endorsed candidate for governor: House Speaker Margaret Anderson Kelliher (DFL-Mpls) and Rep. Tom Emmer (R-Delano).

There have been House members vying against senators and former House members. We've even had a former professional wrestler leap into the gubernatorial ring, but the Emmer-Kelliher matchup is unique. Both were endorsed at their state party conventions last month.

Whoever wins the November election to become the 40th Minnesota governor will follow in a long line of public servants.

Here are a few notable paths from the House to the governor's mansion:

- House member Arne Carlson defeated retired Sen. Rudy Perpich in 1990 and defeated sitting Sen. John Marty in 1994 for his second term.
- Former Representatives Wendell Anderson and Douglas Head served together in the House from 1961 through 1963, but by the time they faced each other in the 1970 governor's race, Anderson was a senator and Head was attorney general. Anderson won the election.
- Denmark-born Hjalmer Petersen served in the House from 1931-1935. As lieutenant governor, he was appointed governor on Aug. 24, 1936, after Gov. Floyd Olson died. His term ended Jan. 4, 1937. He was defeated in the race for governor by Harold Stassen in 1939 and 1941.

— S. HEGARTY

## Some to step down, some hope to move on

This year both the House and Senate are up for election, as are the executive branch offices.

Several House members have announced their intentions to run for a different office, while others have announced their retirement, clearing the way for new candidates to seek their seats.

As of May 6, House members who have formally

announced they will not be seeking re-election are:

Rep. Karla Bigham (DFL-Cottage Grove)  
Rep. Laura Brod (R-New Prague)  
Rep. Rob Eastlund (R-Isanti)  
Rep. Jeremy Kalin (DFL-North Branch)  
Rep. Paul Kohls (R-Victoria)  
Rep. Marty Seifert (R-Marshall)  
Rep. Cy Thao (DFL-St. Paul)

### Those seeking a different elected office:

#### Governor

House Speaker Margaret Anderson Kelliher (DFL-Mpls)  
Rep. Tom Emmer (R-Delano)

#### Secretary of State

Rep. Dan Severson (R-Sauk Rapids)

#### Senate seat

Rep. Doug Magnus (R-Slayton)

#### U.S. 1st Congressional District

Rep. Randy Demmer (R-Hayfield)

state money will be used. Instead, the law asks DEED to seek private funding to establish the network.

A report to the Legislature is required by Sept. 30, 2010, on progress made toward establishing the network.

The law will leverage an existing collaboration between DEED and the Minnesota Chamber of Commerce called "BusinessConnection," which provides general information to aspiring business owners.

Bunn said her bill can be considered "phase two" of what BusinessConnection represents. The new phase will include an upgraded interface for the website, among other things. Bunn said an eventual "phase three" — a true one-stop shop for starting, registering, licensing and growing businesses — is hoped for at some point in the future.

Signed April 30 by Gov. Tim Pawlenty, the law is effective May 1, 2010.

HF2839/SF2758\*/CH283

— N. BUSSE

## CONSUMERS

### Keeping laws up with new tobacco

Minnesota's tobacco laws are not keeping up with the creativity and marketing of new tobacco products.

From strips that melt in your mouth to orbs that look like Tic Tacs, users can get a nicotine bump anytime, anywhere and undetected. Supporters of new regulations fear these products could lure in a whole new generation of tobacco users.

Rep. Jim Davnie (DFL-Mpls) and Sen. D. Scott Dibble (DFL-Mpls) sponsor HF3467/SF3055\*, the Tobacco Modernization and

Compliance Act of 2010, that would close the loophole on products that supporters say target younger generations. The House passed the bill 118-5 May 5. Passed by the Senate 63-4 on April 28, it now awaits action by Gov. Tim Pawlenty.

The bill would regulate these new products similar to cigarettes and cigars. It would also apply to electronic cigarettes and candy- or fruit-flavored “little cigars” that are similar in size to cigarettes, but because of their design are not as regulated and also cost less.

Rep. Jenifer Loon (R-Eden Prairie) spoke in favor of the bill, adding that it does not increase taxation of tobacco products. “This really is a matter of trying to protect our kids.”

— L. SCHUTZ

## EDUCATION

### Omnibus early childhood bill passed

A small step toward creation of an Office of Early Learning could be a privately funded task force as proposed in the omnibus early childhood bill, which passed the House 104-27 May 5.

Sponsored by Rep. Nora Slawik (DFL-Maplewood) and Sen. Terri Bonoff (DFL-Minnetonka), HF2760/SF2505\* would direct the State Advisory Council on Early Childhood Education and Care to establish a privately funded task force to make recommendations to the governor and Legislature on creating an Office of Early Learning. The task force would consider a series of objectives related to delivering, measuring and improving quality of early childhood services. If established, it could streamline oversight of education and child care services now administered by three departments: education, health and human services.

“The best way to close the achievement gap is to make sure we have those early interventions in place,” said Slawik, chairwoman of the House Early Childhood Finance and Policy Division. “This bill would look at the best way to do that.” She said Minnesota’s child care system is largely paid for by private dollars, not public funds, although some programs such as Head Start are funded by state and federal funds.

An amendment unsuccessfully offered by Rep. Bud Nornes (R-Fergus Falls) would have kept the office, but eliminated a framework of tasks outlined in the bill.

The “overly prescriptive” language is, in effect, a blueprint for a new agency, said Rep. Keith Downey (R-Edina).

The council would make recommendations about creation of a statewide school readiness

report card, and how to screen and assess children for gaps in school-readiness and needs for services for those who are not. A report card could help monitor progress toward a goal of having all 3-year-old children screened and 5-year-old children assessed for school readiness by 2020. A goal to have all eligible children ready for kindergarten by 2020 is in statute.

Overall, supporters say provisions in the bill would help child care providers improve the quality of their facilities and curriculum and expand screening and assessment for young children to see if they’re on track for kindergarten.

The bill would direct \$500,000 in federal funds from the Human Services Department to prepare for a statewide Quality Rating Improvement system, which Slawik described as “a consumer-driven, parent-driven system” that would rate child care providers who choose to participate on a four-star rating system. The funds could help train providers to teach literacy skills, buy new materials or make safety improvements to their facilities, for example.

Rep. Tara Mack (R-Apple Valley) unsuccessfully offered an amendment to cut that provision, saying providers in her area said they are not in favor of the system and that the department could use the funds as it sees fit.

However, Rep. Randy Demmer (R-Hayfield), speaking in support of the bill, said providers in his district like the resources and opportunities a quality rating system offers them.

“I believe personally this is one of the solutions, one of the answers to closing the achievement gap,” Demmer said.

The bill now returns to the Senate where it was passed 53-12 April 19.

— K. BERGGREN

### Improvement grant string concerns

Cass Lake-Bena Superintendent Carl Remmers doesn’t dispute that his district could be among the state’s “persistently lowest-achieving schools,” as the Education Department told him in January. The department has designated 34 schools in that category, each of which could receive about \$1 million through the federal School Improvement Grant program, part of the American Recovery and Reinvestment Act of 2009.

The SIG program targets the lowest 5 percent of Title I-eligible schools based on certain reading and math test scores and high school graduation rates.

Remmers and officials from other schools on the list told the House K-12 Education Policy and Oversight Committee May 5 the problem is the strings that come with the

grant. One of them is that he’d have to fire Principal Pernell Knutson, who he calls “the best secondary principal I’ve had.” He said she’s made a big difference in her four years at the high school, which serves the Leech Lake Reservation area. Under her management, attendance rates have increased to about 90 percent, discipline referrals decreased by 52 percent and math achievement has improved, although it’s still below average.

Two weeks before he was notified the high school was on the SIG list, Remmers said U.S. News & World Report named it among the top 100 in the country for working with low-performing students.

To receive the money, schools must agree to one of four change models: “turnaround intervention,” requiring the principal and at least 50 percent of staff to be replaced; closing a school entirely; closing it to reopen as a charter school; or the “transformation” model, which would replace the principal but not staff.

Remmers has even talked with U.S. Sen. Al Franken (D-Minn.) in hopes of meeting with U.S. Education Secretary Arne Duncan to request an exception to the consequences for his school.

The federal government allows exceptions to these remedies, but Education Commissioner Alice Seagren said making exceptions would delay funding for all 34 Minnesota schools because the timeline is so tight. No school is required to accept the funds if it on the list.

The committee did not hear a bill on the issue, but Rep. Alice Hausman (DFL-St. Paul) successfully offered an amendment to HF2431 during a House Finance Committee meeting May 4 that would allow a consequences exception for one charter school serving highly at-risk students in St. Paul.

— K. BERGGREN

## EMPLOYMENT

### Omnibus employment bill passed

Changes to eligibility for unemployment insurance benefits are among the provisions of an omnibus economic development labor and industry policy bill passed by the House on May 5.

Sponsored by Rep. Mike Obermueller (DFL-Eagan) and Sen. David Tomassoni (DFL-Chisholm), HF2781/SF2510\* deals with a range of programs run by the Labor and Industry and Employment and Economic Development departments.

Under the bill, benefit eligibility would be extended to some temporary staffing agency workers who choose not to keep taking temp jobs but wish to find permanent employment.



## ENVIRONMENT

### Syringe, lancet stewardship program

**Signed  
by  
the  
governor**

An estimated 30 million syringes and lancets are sold annually in Minnesota. Keeping them out of garbage cans where they can accidentally poke or infect someone is the goal of a

new law that takes effect Jan. 1, 2011.

Manufacturers of sharps and pharmaceutical companies that make drugs used in the sharps will be required to share information on their websites about their plans for the proper disposal of sharps and lancets. The plan must include a description of how the manufacturer will:

- provide for the safe collection and proper disposal of sharps;
- educate consumers about safe management and collection opportunities; and
- support efforts by other groups with interest in protecting public health and safety through the sale, collection and proper disposal of sharps.

A public health agency or clinic that participates in a needle exchange program must post to its website a plan that describes how the agency or clinic supports the safe collection and proper disposal of the sharps.

Rep. Paul Gardner (DFL-Shoreview) and Sen. Kathy Sheran (DFL-Mankato) sponsor the law that was signed April 30 by Gov. Tim Pawlenty.

HF1372/SF1323\*/CH286

— S. HEGARTY

## ENERGY

### Eminent domain practices revised

**Signed  
by  
the  
governor**

Utilities are no longer shielded from paying for property owners' attorney and appraisal fees in eminent domain cases when acquiring property for the construction of a high-voltage transmission line of 100 kilovolts or more.

A new law signed by Gov. Tim Pawlenty April 30, and effective the next day, also allows the property owners to recover damages for loss of income if the transmission line disrupts their business. Besides high-voltage transmission lines, the law applies to property acquired for substations or a natural gas, petroleum, or petroleum products pipeline, compressor or pumping stations.

Sponsored by Rep. David Bly (DFL-Northfield) and Sen. Kevin Dahle (DFL-Northfield), the law requires the Public Utilities Commission to consider locating a route for a high-voltage transmission line on an existing high-voltage transmission

route or the use of parallel existing highway right-of-way. If those routes are not used, the commission must state the reasons why. The PUC and the commissioner of transportation must add the policy to a list of 12 other considerations when determining where to locate a new high-voltage transmission line.

HF1182\*/SF1112/CH288

— S. HEGARTY

### Conferees agree on expenses bill

A bill regarding a public utility's ability to recover certain business expenses from ratepayers was approved May 5 by a conference committee.

Sponsored by Rep. Debra Hilstrom (DFL-Brooklyn Center) and Sen. Ellen Anderson (DFL-St. Paul), the report on HF2798/SF2519\* awaits approval from the House and Senate. The bill would put in statute what the Public Utilities Commission is already doing in practice — prohibiting a utility from using operating expenses for reimbursement for travel, entertainment and related expenses that it deems is unreasonable and unnecessary for utility service. Among the nine items that utilities would have to itemize when submitting a general rate case petition are expenses for travel and lodging, food and beverage, recreation, gifts and lobbying.

On the House floor, Rep. Andrew Falk (DFL-Murdock) successfully offered an amendment that would have prohibited recovery of expenses that a utility would incur to promote or defeat a candidate or ballot question. The provision would not have applied to a ballot question that resulted in higher utility rates if voters passed the ballot question.

According to PUC Deputy Commissioner Bill Glahn, Gov. Tim Pawlenty said the provision had not been properly vetted and that the language belonged in an elections bill. Concerned that the governor would not sign the bill, the conference committee elected to remove the Falk amendment. Hilstrom said there are election bills still moving through the legislative process where the Falk amendment may be attached.

Debate continued about how far the policy could or should be enforced. For example, if a utility were to sponsor a nonpartisan legislative forum or employee voter registration event with coffee and donuts, should the employee's time or costs associated with such events be reimbursed through ratepayer or stockholder revenues? Glahn said there are "gray areas" and that the amendment would have a "chilling effect" on utilities that would "shy away" from such activities.

— S. HEGARTY

## HEALTH

### Ice arena bill gains ground

After months of wrangling over how to ensure safe air quality in Minnesota's indoor ice arenas, legislators, arena managers and state officials may have reached a compromise.

Rep. Rick Hansen (DFL-South St. Paul) sponsors HF3512, which aims to improve monitoring of arena air quality and reduce traces of carbon monoxide and nitrogen dioxide, which are emitted from some ice maintenance equipment. Hansen's work was prompted by a constituent who was diagnosed with chronic carbon monoxide poisoning after many years as a figure skater and coach.

The most recent version of the bill was approved by the House Cultural and Outdoor Resources Finance Division May 3 and sent to the House Finance Committee. A companion, SF3175, sponsored by Sen. Ellen Anderson (DFL-St. Paul), awaits action by the Senate Finance Committee.

Under the bill as amended, indoor ice arenas and their operators would need to be licensed by the Department of Health beginning in March 2011. By 2015, an arena would need to exclusively use electric equipment, contain a continuous air monitoring device, or meet criteria to be exempt from both. The bill does not include an earlier provision that required all non-electric ice maintenance equipment be equipped with a three-way catalytic converter by next spring. Also, a trained arena operator may be on-call when the arena is in use, instead of a previous requirement to be present at the facility.

Some of the ideas in the bill are from members of the Minnesota Ice Arena Manager's Association.

"I don't think it would be 100 percent satisfactory for everybody in our association, but I think as we move through the pieces of this ... there's areas that people feel comfortable with," said Michael Sheggeby, president of the group's board of directors. Members of MIAMA were scheduled to discuss the revised bill at a convention May 5.

Meanwhile, Health Department officials are in the midst of revisiting rulemaking on indoor air quality, which began prior to the introduction of Hansen's bill.

— L. RADOMSKI

### Health records bill passes

Rep. Thomas Huntley (DFL-Duluth) estimates Minnesota hospitals and physicians would receive \$450 million to \$800 million in Medicaid incentives if the state adopts a system for overseeing the exchange of electronic health information.

The incentives are available through a provision in the American Recovery and Reinvestment Act of 2009 that rewards providers who become "meaningful users" of electronic health records. That includes being able to electronically communicate patient information from one clinic or hospital to another.

Huntley and Sen. Tony Lourey (DFL-Kerrick) sponsor HF3279/SF2974\*, which would establish state oversight of the organizations that facilitate the electronic transfer of health information. These organizations would need to register with the Department of Health and comply with requirements that include privacy standards.

"These groups do not retain information; all they do is transfer it from one place to another," Huntley said. "There's no central place that has all your information. Your records still reside with your clinic or with your hospital."

The bill was amended and passed by the House 96-37 May 4 and returned to the Senate, which did not concur, and a conference committee was called to work out the differences.

Some legislators are wary of the bill's implications on patient privacy.

"The idea that we're going to send our health information to a third party, whether that third party is a government party or a private party, ought to make us a little bit skeptical," said Rep. Laura Brod (R-New Prague).

Huntley said nothing in the bill would change Minnesota's health privacy standards, which he called among the strictest in the nation. Patients already have the option to demand their records not be shared with other providers, he said.

Rep. Matt Dean (R-Dellwood) successfully amended the bill to specify that no data obtained through the electronic transmission of medical records may be used by the government to restrict a patient's medical treatment options. An amendment successfully offered by Rep. Jim Abeler (R-Anoka) would modify rules on the electronic filing of claims.

— L. RADOMSKI

### Concession stand fees reduced

Signed  
by  
the  
governor

Minnesota schools with multiple concession stands on their property will pay fewer fees to the Department of Health, under a new law signed by Gov. Tim Pawlenty

April 30.

Many schools operate more than one concession stand on their grounds and must pay a \$150 fee to the state for each one. The new law defines "school concession stand" and provides that schools with multiple stands do not need to pay more than one annual \$150 fee.

Rep. Dean Urdahl (R-Grove City), who sponsors the law with Sen. Michelle Fischbach (R-Paynesville), said the law will save school districts about \$35,000, which the department has agreed to absorb.

Private companies that run concession stands on school property would retain responsibility for paying their own fees.

The law takes effect July 1, 2010.

HF3347/SF2996\*/CH285

— L. RADOMSKI

### Rules on epilepsy drugs

Signed  
by  
the  
governor

Current law allows a pharmacist to substitute generic anti-epilepsy medications for equivalent brand name drugs. People with epilepsy, their doctors and other experts have

mixed opinions on whether that's a good policy.

A new law leaves the decision up to the U.S. Food and Drug Administration. Under the law, if the FDA determines the substitution of drugs used to treat epilepsy or seizures poses a health risk to patients, the state Board of Pharmacy must adopt rules that mirror the FDA finding. Those rules may supersede the substitution provisions in current statute. If a new rule will increase costs for state public health programs, it will need to be reported to legislative leaders before its adoption.

Sponsored by Rep. Marsha Swails (DFL-Woodbury) and Sen. Linda Higgins (DFL-Mpls), the law was signed by Gov. Tim Pawlenty April 30. It takes effect Aug. 1, 2010.

HF1320\*/SF1137/CH289

— L. RADOMSKI

## HIGHER EDUCATION

### Policy bill goes to conference

The House soundly rejected an amendment that would have allowed alcohol sales exclusively in club seats at University of Minnesota sports venues before passing the omnibus higher education policy bill.

Sponsored by Rep. Tom Rukavina (DFL-Virginia) and Sen. Sandy Pappas (DFL-St. Paul), HF3448/SF184\* contains a variety of proposed changes to laws affecting public and private colleges and universities. The House passed it 98-31. The Senate, which passed a different version 61-5 on April 26, refused to concur with the House changes. A conference committee has been called to work out the differences.

The bill would lower the amount of financial aid money available to students at private, for-profit colleges. To accomplish this, it would reduce the tuition and fee maximums used to calculate the amount of state grant program funds they are eligible to receive.

Selected other provisions include:

- directing the Minnesota State Colleges and Universities system to implement a pilot project where it would deposit some campuses' cash reserves in local banks;
- increasing the amount of money available for Student Education Loan Fund (SELF) loan bonds from \$10 million to \$25 million per year;
- reinstating \$1 million in funding for a high-school-to-college developmental transition program, also known as the "summer bridge" program;
- requiring MnSCU to implement a plan to improve its system of transferring credits between schools;

- increasing the amount of revenue bonds MnSCU can issue for capital projects; and
- directing MnSCU to streamline its central office and reduce expenditures.

Rep. Phyllis Kahn (DFL-Mpls) unsuccessfully offered an amendment that would have allowed the university to sell alcohol exclusively in premium seating areas in athletic venues. A 2009 law allowed the university to sell alcohol in sports facilities only if it was available to all attendees.

Kahn argued the law has harmed the university financially. Fearing the potential for underage alcohol abuse and student misbehavior, the university banned alcohol sales in all of its sports facilities, she said, costing it an estimated \$1.3 million.

Opponents included Rukavina, who said allowing those in club seats to drink alcohol but not those in “common” seats would be discrimination.

“The U can sell alcohol wherever they want, they just have to serve it to everybody,” he said.

The amendment was defeated 111-18.

— N. BUSSE

## Easier MnSCU credit transfers vetoed

**Vetoed  
by  
the  
governor**

Gov. Tim Pawlenty vetoed legislation designed to make it easier for students to transfer credits from one state college or university to another, calling the measure “unnecessary.”

Sponsored by Rep. Larry Haws (DFL-St. Cloud) and Sen. Tarryl Clark (DFL-St. Cloud), the bill would have required the Minnesota State Colleges and Universities system to improve credit transfers, with the goal of providing for “minimal loss of credits for transferring students.”

The bill outlined several steps for MnSCU to take to revamp its credit transfer system.

“The bill is unnecessary because the credit transfer issues identified by the Legislative Auditor, MnSCU staff, and students are already being addressed through internal actions and policy changes,” Pawlenty wrote in his veto message.

Provisions in the bill would have directed MnSCU to develop and maintain a central database of course equivalencies between MnSCU institutions. Information on the transferability of courses would have been posted on all system college and university websites. Each school would have been responsible for ensuring the completeness and accuracy of data on its course offerings.

Additionally, the bill specified that providing prompt required documentation to facilitate a student transfer is an “institutional rather than student obligation.”

## STANDING TALL



PHOTO BY KRISTIN SCHUE

**With the assistance of Rep. Steve Gottwalt, Rep. Mary Kiffmeyer stands on her chair so Rep. Tom Rukavina can see her from across the House Chamber during the May 3 debate of the omnibus higher education policy bill.**

Implementation would have been required by the beginning of the 2015-16 academic year, and annual reports to the Legislature would have been required.

HF3164\*/SF2822/CH284

— N. BUSSE

## HUMAN SERVICES

### Civil commitment confusion clarified

Eliminating confusion in the civil commitment statute is the goal of a bill passed 128-0 by the House May 3.

Sponsored by Rep. Debra Hilstrom (DFL-Brooklyn Center), HF2612 would clarify which county is primarily responsible for the pre-petition screening and bringing forth the commitment petition.

Under the bill, the county where the proposed patient would reside would be primarily responsible for doing the pre-petition screening and filing the commitment petition. Hilstrom said the county where the patient is presently located could do the petition as a last resort.

A definition is also provided for “county of financial responsibility,” to reference a person’s county of residence for purposes of establishing the proper venue in a civil commitment hearing.

“This bill is not intended to change any existing practice; it is just intended to clarify so that the courts and the county attorneys are all on the same page,” Hilstrom said.

The bill awaits action by the Senate Rules and Administration Committee. Sen. Don

Betzold (DFL-Fridley) is the Senate sponsor.

— M. COOK

## INDUSTRY

### ‘Boiler bill’ becomes law

**Signed  
by  
the  
governor**

In what has practically become an annual tradition — albeit a little-noticed one — a new law makes a number of technical changes to statutes governing boilers and their

operation.

Sponsored by Rep. Bob Gunther (R-Fairmont) and Sen. Steve Murphy (DFL-Red Wing), the law clarifies various statutory provisions, updates obsolete references and terminology, and makes grammatical changes.

The law includes changes proposed by the Department of Labor and Industry, and represents an attempt to streamline and reduce excessive requirements on boiler operators, owners, license-holders and boat owners. It also reflects advancements in boiler technology and construction.

The changes take effect Aug. 1, 2010.

HF2855\*/SF2726/CH287

— N. BUSSE

### Elevators and manlifts

**Signed  
by  
the  
governor**

Hand-powered manlifts and electric endless belt manlifts will not be subject to the state’s elevator operating permit fee beyond the initial inspection, under a new law.



Sponsored by Rep. Al Juhnke (DFL-Willmar) and Sen. Rod Skoe (DFL-Clearbrook), the law makes several other changes to the statutes regarding the operation of elevators. It takes effect Aug. 1, 2010.

The law specifies that manlifts are subject to the initial inspection and permit fee, but no subsequent inspections. It also states that special purpose personnel elevators are subject to inspections only once every five years, and elevators in churches only once every three years. All other elevators are subject to annual inspections.

HF3076/SF2844\*/CH282

— N. BUSSE

## SAFETY

### 'Kelsey Smith Act' advances

The proposed "Kelsey Smith Act," which would permit law enforcement officials to track down missing persons by locating their cell phones, is two votes and a governor's signature away from becoming law.

Members of a conference committee reached agreement May 5 on HF2639\*/SF2470, which would require cell phone service providers to disclose their customers' locations in cases where an individual is believed to be missing and at risk of "death or serious physical harm."

The bill is named after Kansas teenager Kelsey Smith, who was abducted and killed in 2007. Smith's body was found after her parents compelled her cell phone company to track down her phone's location.

Using cell site towers, a cell phone company can triangulate the location of a cell phone or other wireless device. Federal law already allows cell phone companies to disclose the information to law enforcement officials in emergencies; the bill makes this a mandate. Disclosure of information on a cell phone's geographical location would require a written request from a law enforcement agency.

During conference committee, much of the discussion focused on data privacy issues. Rep. Joe Hoppe (R-Chaska) offered and then withdrew an amendment that would have required law enforcement authorities to treat certain call location information as private data.

Hoppe said the concern was that a person who didn't want to be found, such as someone in an abusive relationship, might have their location information revealed when it becomes public data as part of a law enforcement investigation; however, Hoppe and other conferees agreed the issue would be better addressed through separate legislation.

The conference committee adopted a delete-

all amendment that included mostly technical changes to the bill's language.

The bill now returns to the House and Senate floors for concurrence. Rep. Sheldon Johnson (DFL-St. Paul) and Sen. Yvonne Prettner Solon (DFL-Duluth) are the sponsors.

— N. BUSSE

### Protecting service animals

It is already a gross misdemeanor to intentionally cause bodily harm to a service animal.

Intentionally rendering a service animal unable to perform its duties could bring a similar charge.

Sponsored by Rep. Mindy Greiling (DFL-Roseville) and Sen. D. Scott Dibble (DFL-Mpls), HF3312/SF2990\* also requires a court to order mandatory restitution for the costs resulting from the criminal act, including the service animal user's lack of income, veterinary expenses, transportation costs and service animal replacement or retraining. This does not preclude a victim from seeking civil damages.

The bill, approved 127-0 by the House May 3, awaits gubernatorial action. The Senate passed the bill 67-0 March 29.

Language added by the Senate goes after people who train dogs for fighting by providing that "whoever possesses any device or substance with intent to use or permit the use of the device or substance to enhance an animal's ability to fight is guilty of a gross misdemeanor." The language comes from HF728/SF800 sponsored by Rep. Joe Mullery (DFL-Mpls) and Sen. Leo Foley (DFL-Coon Rapids).

— M. COOK

## STATE GOVERNMENT

### Sentencing error turns to claim

William Howard Heins spent an extra 389 days in prison due to a sentencing error, which was corrected only after a decision by the state Court of Appeals.

He could receive \$34,049 from the state for payment of lost wages. However, he would be required to pay off fines and restitution amounts owed, and agree not to seek credit against any future sentence for the time mistakenly served.

The provision is part of the nearly \$91,500 claims bill.

Sponsored by Rep. Lyle Koenen (DFL-Clara City) and Sen. Ron Latz (DFL-St. Louis Park), HF3660\*/SF3246 was passed 122-2 by the House May 5. It now moves to the Senate.

Containing recommendations from the Joint House/Senate Subcommittee on Claims,

the bill also includes:

- \$53,700 for seven claims by prisoners who suffered permanent partial disabilities while performing assigned duties in prison, and two claims by people who suffered permanent partial disabilities while performing sentence to service work; and
- \$3,700 to reimburse the Corrections Department for sentence to service and community work service claims under \$500 and claims already paid.

According to its website, "The Joint House/Senate Subcommittee on Claims was established in 1976 to hear and recommend to the legislature whether or not to pay claims against the state by various persons who cannot proceed against the state under the State Tort Claims Act."

— L. SCHUTZ

### PFA authority to expand

The Public Facilities Authority provides financing programs to help communities build or improve their wastewater treatment and drinking water facilities. Due to an infusion of federal stimulus money last year, the PFA saw an increase in the scope of its work and increased grant-making ability.

Gov. Tim Pawlenty signed a new law April 30 — and effective the next day — that permits the authority to hire staff; makes changes to mirror state law with federal language; and expands the type of projects eligible for grants from the Clean Water Revolving Fund.

Rep. Kory Kath (DFL-Owatonna) and Sen. Dennis Frederickson (R-New Ulm) sponsor the law.

The authority resides under the Department of Employment and Economic Development, and Kath said the staffing language is an "umbrella change" to make sure the authority is contractually meeting the obligations of the bondholder covenants."

Additionally, the new law will increase the authority's grant-making ability from \$500,000 to \$1 million.

HF2925/SF2873\*/CH290

— L. SCHUTZ

### Council could examine expenditures

A new council could be charged with ensuring the state gets the most bang for every public dollar.

Rep. Paul Marquart (DFL-Dilworth) said the proposed 15-member council, a provision in HF2227, is a product of the House Bi-Partisan Redesign Caucus and "will be a key player in keeping Minnesota a great state as we face our budget challenges into the future."

The Minnesota Innovation and Research

Council would help enhance public involvement, reduce government costs and bring better value to every tax dollar spent. The House State and Local Government Operations Reform, Technology and Elections Committee approved the bill May 5 and sent it to the House Rules and Legislative Administration Committee. Its companion, SF1880, sponsored by Senate President James Metzen (DFL-South St. Paul), awaits action by the Senate Finance Committee.

The state will continue to face budget deficits due to slow economic growth, a weak revenue base as baby boomers retire and less consumer consumption, Marquart said, adding the two “usual suspects” for solving budget problems — raising taxes or cut spending — won’t fix all of the problems.

The council would provide grants to local units of government for pilot projects; to examine best practices; and to commission studies in fields that spend state dollars. The council’s strategic plan, due to the Legislature by Jan. 15, 2011, would specify:

- how to enhance public involvement and input for state and local government services and public schools;
- how technology can be leveraged to reduce costs and enhance quality;
- how service innovation would increase value or results for dollars spent; and
- the design for a platform to facilitate high-quality innovation and evaluate future state and local government structural redesign.

Committee Chairman Rep. Gene Pelowski Jr. (DFL-Winona) said legislative committees could do everything the council is created to achieve. “Creating another level of government to try to reign in government is the problem.”

Taxpayers care that money is spent wisely, said Rep. Steve Simon (DFL-St. Louis Park). “Our committees are basically bill factories,” and very few do oversight or reform because there just isn’t time for that level of examination in a part-time Legislature.”

— P. OSTBERG

## TRANSPORTATION

### Trans policy bill makes another try

This year’s House omnibus transportation policy bill mimics last year’s, minus three provisions that were cause for a governor’s veto.

Approved 117-13 as amended to include House language May 5, the Senate refused to accept the changes to HF2807/SF2540\*, sponsored Rep. Frank Hornstein (DFL-Mpls) and Sen. Steve Murphy (DFL-Red Wing), and

## SO LONG FOR NOW



PHOTO BY TOM OLSMSEID

**Prior to Gov. Tim Pawlenty’s May 4 news conference, longtime WCCO-AM political correspondent Eric Eskola tells his colleagues in the Capitol press corps that he will be leaving the station shortly after the end of the session. Eskola, who has covered Capitol happenings since 1985, will continue to host “Almanac” on TPT.**

a conference committee has been requested. The Senate passed its version 63-4 April 28.

Among the provisions successfully amended to the bill was one from Rep. Dean Urdahl (R-Grove City) that would expand current law as it relates to speeding. Currently, a speeding ticket does not appear on someone’s driving record if the person was driving up to 10 mph over the limit in a 55 mph zone or 5 mph over the limit in a 60 mph zone. His bill would add the 10 mph threshold to the 60 mph limit.

Rep. Joyce Peppin (R-Rogers) successfully added an amendment that would allow those with vehicle windshield disability tags to secure them in a holder or a display device on their dashboard.

An amendment successfully offered by Rep. Bev Scalze (DFL-Little Canada) draws attention to a problem where an owner of a vehicle may be liable for a previous owner’s parking tickets.

Scalze was contacted regarding a woman whose truck was towed after law enforcement found several unpaid parking tickets issued to the previous owner. Her amendment would

prohibit any local ordinance to hold a vehicle owner liable for a previous owner’s parking violations.

The 2009 bill prohibited several activities at rest areas, including sleeping overnight in vehicles or pitching a tent. This year’s bill no longer carries the prohibitions, sans one relating to improper disposal of trash and rubbish at rest areas.

Also out of the bill is reference to a specific route for a proposed high-speed rail line from the Twin Cities metropolitan area to Chicago. The governor had said that it was premature to select a specific route.

Criteria for issuing special license plates and a process for mothballing plates that have few takers are laid out in the bill. It would also expand the eligibility for the Combat Wounded license plate to a Purple Heart recipient who is still serving in the military, rather than just veterans.

The bill clarifies language creating a Council on Transportation Access. The governor objected to a provision that members would be eligible for per diem; the new language states members could only be reimbursed for expenses.

The bill designates two highway sections as memorials to veterans: the “Becker County Veterans Memorial Highway” would be along segments of Trunk Highways 34 and 87, and a portion of Trunk Highway 200 from the North Dakota border to Mahanomen would be the “Veterans Memorial Highway.” It also clarifies the description in a 2009 law creating a Clearwater County Veterans Memorial Highway along Trunk Highway 200.

— L. SCHUTZ

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# House passes HHS budget bill

Members reluctantly vote for cuts; governor says bill is too costly

By LAUREN RADOMSKI

**T**he House passed its omnibus health and human services finance bill 79-54 on May 4 hours after Gov. Tim Pawlenty vowed to veto the legislation.

Sponsored by Rep. Thomas Huntley (DFL-Duluth), HF2614 would have a net impact of \$165 million to the General Fund in the current biennium. It includes cuts to health and human services, public health and early childhood spending, but also includes new tax revenue and surcharges.

The bill also designates \$38 million in fiscal year 2011 and \$53 million in the 2012-2013 biennium for Minnesota's participation in a federal health care reform initiative that would allow more people — including the General Assistance Medical Care population — to enroll in the state's Medicaid program.

More cuts may be coming.

Initially, both the governor and House lawmakers proposed using \$408 million in enhanced Medicaid match funding to balance the budget. But at a press conference May 4, Pawlenty called the outlook for receiving the federal funding “unclear at best,” and directed legislators to make further cuts in case the money doesn't arrive.

Pawlenty also warned he would veto the bill because of its costs in future biennia, or use his unallotment authority to reduce the bill's size.

On the floor, some House members said they would prefer to make cuts instead of leaving the decisions up to the governor.

“I don't want to vote for this bill,” said Rep. Tom Rukavina (DFL-Virginia) after more than nine hours of debate. “I'm tired of cutting. I'm tired of hurting people. But I'm going to vote for it because I'm afraid of what Pawlenty's going to do.”

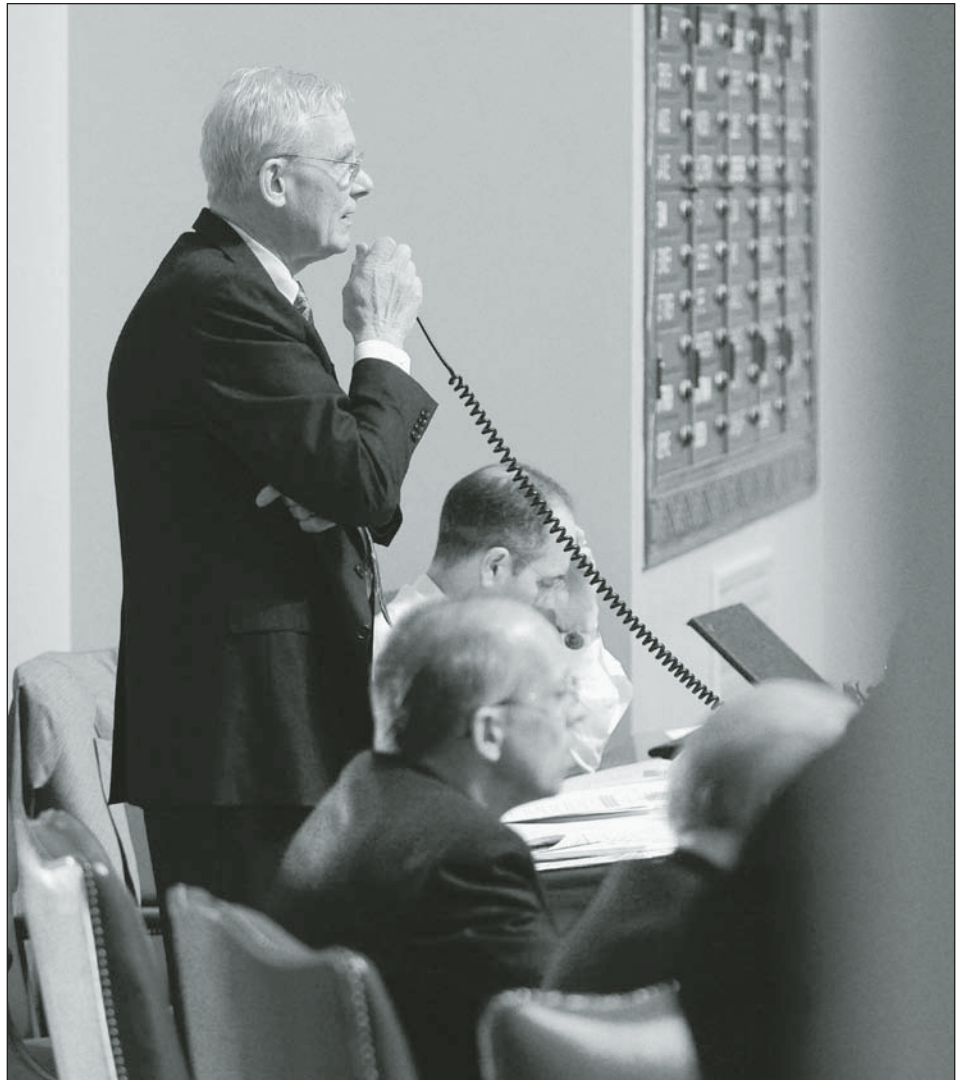


PHOTO BY ANDREW VONBANK

**HHS continued on page 14**

**Rep. Thomas Huntley presents the omnibus health and human services bill on the House floor May 4.**



## What's in the bill

The House proposal includes cuts to non-primary care physicians, mental health grants, chemical dependency funding and children's protective services. Cuts to hospitals would be delayed until next year, and General Assistance — a cash assistance program the governor had proposed to reduce — would remain intact. An increase in the surcharge on HMOs is designed to capture additional federal funding.

Nursing homes and long-term care facilities, which are untouched in the bill, would actually see a boost in funding under a hotly contested amendment successfully offered by Rep. Frank Hornstein (DFL-Mpls). It would eliminate tax breaks for companies with operations overseas — what some people consider “loopholes” in the tax code. The new revenue would be used to increase operating rates for nursing homes and long-term care facilities and to fund grants to services for the elderly and people with disabilities.

Republicans railed against the idea, saying it was inappropriate to change tax policy to generate savings in another budget area, particularly by way of an amendment. Rep. Mark Buesgens (R-Jordan) called adoption of the amendment “blood and guts hardcore partisan politics at its ugliest,” and accused Democrats of trashing House rules.

The floor debate also included several unsuccessful attempts by Republicans to opt out of provisions in the federal health care reform law. Rep. Matt Dean (R-Dellwood) offered an amendment that would lift a requirement to obtain individual health insurance, while a proposal from Rep. Paul Torkelson (R-Nelson Township) would delay Medicaid expansion in order to fund rural nursing homes.

Legislators did find common ground on an idea that also sits well with the governor: allowing the sale of out-of-state health plans. Rep. Jenifer Loon (R-Eden Prairie) successfully offered an amendment that would allow these transactions, provided plans comply with Minnesota laws and their insurers are vetted by the Department of Commerce.

Another amendment that received popular support was a proposal from Rep. Al Juhnke (DFL-Willmar) to reduce the salaries of certain Department of Human Services managers until employees of State Operated Services who have had their hours reduced since last spring are offered a return to full-time employment.



PHOTO BY ANDREW VONBANK

**Amendments to the omnibus health and human services bill pile up on a bench in the House Chamber during a marathon nine hour debate May 4.**

## An uncertain future

Despite some compromises, lawmakers remained largely polarized on the bill. Republicans characterized it as “Washington-style” legislation that would spend money the state doesn't have at a cost to future generations.

“Unfortunately, I think this bill reflects a lack of innovation, of reform and in a sense, of honesty, because you are in fact making promises you can't deliver on,” said Rep. Steve Gottwalt (R-St. Cloud). “There is no way that you can cash-flow this bill the way it's set up.”

Democrats disagreed, saying the bill takes initial steps toward reforming health care delivery and payment. Perhaps most importantly, Huntley said, the Medicaid expansion would solve the problem of how to care for GAMC enrollees, many of whom are homeless or mentally ill. Most of the hospitals that qualify to participate in a new, less expensive GAMC care model have opted out.


“Sometimes we have to admit failure,”

## At a glance: What's in the bill

The following are selected provisions in the House omnibus health and human services supplemental budget bill:

- allows MinnesotaCare enrollees to purchase supplemental hospital coverage for inpatient expenses costing more than \$10,000 annually;
- allows volunteer firefighters and ambulance attendants to enroll in MinnesotaCare without meeting other eligibility requirements;
- prohibits health plans from charging higher co-pays for patients' use of oral chemotherapy drugs versus injected or infused drugs;
- requires health plans to cover diagnosis, assessment and evidence-based care related to autism spectrum disorders;
- requires a health plan to cover private duty nursing services in certain circumstances;
- extends the expiration date for the state subsidy program for COBRA continuation coverage;
- modifies criteria for eligibility as a critical access dental provider;
- increases the pharmacy dispensing fee for sole-community pharmacists;
- cuts \$8 million in Department of Human Services administrative costs;
- establishes a plan to fund state-operated dental clinics;
- modifies counting of assets for eligibility in the Minnesota Family Investment Program;
- restores some dental services covered under Medical Assistance;
- establishes licensing guidelines for birth centers;
- removes state barriers to the federal food support program; and
- creates an advisory board on the redesign of state-operated services and requires legislative approval for changes to proceed.

Huntley said. “What we passed won't work and we need to do something to correct that. And that's what this bill does. It corrects that problem, it helps our hospitals and it takes care of the most vulnerable people in this state.”

The Senate amended the bill before passing it 42-19 May 5. A conference committee is expected to try to reach an agreement. Sen. Linda Berglin (DFL-Mpls) is the Senate sponsor. 

# Committee drops stadium bill for a loss

Hail Mary could be needed for funding plan to pass this year

By MIKE COOK

**I**n the team's third game last season, quarterback Brett Favre rolled out and somehow found Greg Lewis in the back of the end zone for an improbable 32-yard touchdown with 2 seconds to play to give the Minnesota Vikings a win over San Francisco.

The team's hopes for a new home may need a similar kind of fortuitousness.

The House Local Government Division narrowly approved a stadium-funding bill at about midnight May 4. A little more than

10 hours later, the House State and Local Government Operations Reform, Technology and Elections Committee defeated the measure 10-9.

Its companion, SF3399, remains alive in the

Senate, where Sen. Tom Bakk (DFL-Cook) is the sponsor. The potential exists a bill could be passed by that body and sent to the House for a vote. Supporters could also try to add the bill as an amendment to a different House bill.

"Nothing's ever dead around here," said Rep. Loren Solberg (DFL-Grand Rapids), the sponsor of HF3825. "It's on life support. I said it was in the hospital on oxygen, but it's still living."

Rep. Mark Buesgens (R-Jordan) is OK with that as the May 17 constitutional adjournment gets closer. "My hope is we park this bill until the governor has signed into law a balanced budget. At that point I'll even make the motion to reconsider."

**Sports continued on page 16**

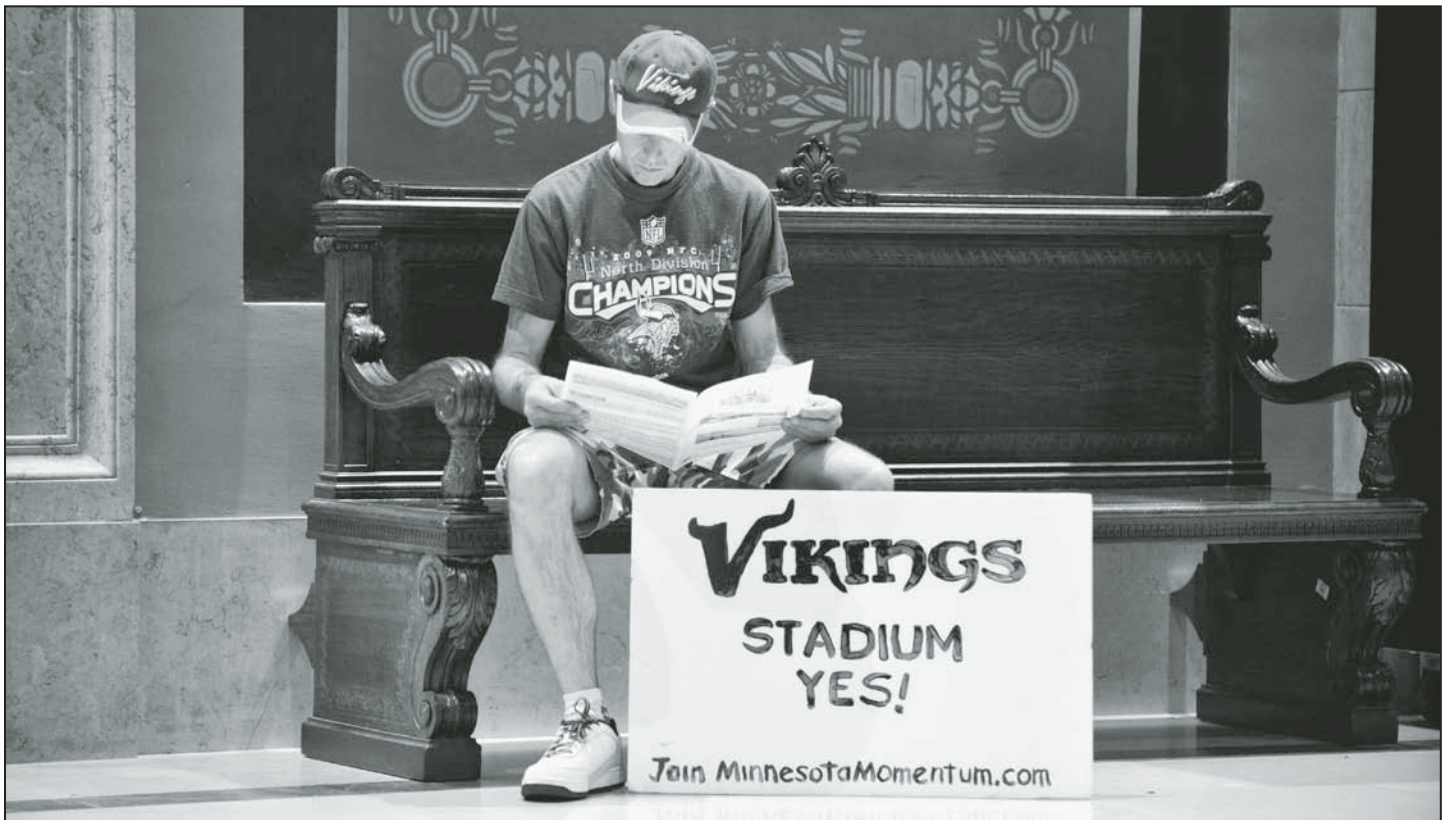


PHOTO BY TOM OLMSCHIED

Larry Spooner sits on a bench outside the House Chamber and reads a handout promoting a new stadium for the Minnesota Vikings. He was waiting to testify May 4 before the House Local Government Division, but time constraints prohibited public testimony.



Introduced May 3, the bill initially called for the Vikings to pay \$264 million in upfront costs toward a \$791 million fixed-roof facility. The remaining \$527 million would be financed over 40 years from four sources: jersey sales would be subject to the 6.875 percent state sales tax; a 1.5 percent hotel surtax; an increased rental car tax; and a sports-themed scratch-off lottery game (\$5.5 million).

"It's very clear the majority of Minnesotans want the Vikings here, and no General Fund money would be used," said Rep. Morrie Lanning (R-Moorhead). He added that if the team were to leave, the state would lose \$20 million or more in annual revenue, funds that go toward things like health care and education.

However, Gov. Tim Pawlenty quickly said he would not sign any stadium bill containing a tax increase.

A new plan was unveiled about 38 hours later that, although site neutral, references a facility being built in Minneapolis. It called for the Metropolitan Council to issue revenue bonds backed by an upfront team contribution, and then use a portion of Minneapolis hospitality tax revenues now used to pay off debt for the Minneapolis Convention Center once that debt is retired. It kept the sports-themed lottery game.

"This would give them an opportunity to be able to come up to the plate with this proposal and negotiate," Solberg said. "It doesn't say they have to."

"They can negotiate without a bill, too," said Rep. Gene Pelowski Jr. (DFL-Winona), chairman of the state government committee. He asked if the city had agreed to the proposed funding. Lester Bagley, the Vikings vice president of public affairs and stadium development, would only say there have been conversations.

The team's projected \$211 million contribution is based on a one-third cost of an open-air facility. Bagley said a roof benefits the state and community, and they should pay for that. He also indicated the team owners aren't excited about a 40-year lease, but would give it consideration.

In addition to stadium capital, tax revenue imposed to pay for the convention center could be used for public safety services in the downtown taxing district or to pay capital and operating costs of the Target Center. "This just gives Minneapolis more flexibility if there are additional funds that are generated from that particular tax," Solberg said.

Although funds would exist until the convention center is paid off in 2020, Minneapolis City Council Member Elizabeth



PHOTO BY TOM OLMSCHEID

**At a May 3 press conference, Rep. Loren Solberg, outlines the financing provisions of a stadium bill he sponsors. He said those who benefit from the facility should help pay for it.**

Glidden expressed concern of taking future funds that could be used for things like capital improvements. The facility will be 30 years old when the bonds are paid off.

"Nothing should happen to reduce the ability of the convention center to produce economic benefit to the state and to the region," she said, adding the center's economic benefit is about four times what may be produced by a stadium.

The city views the team as a statewide asset, and as such, Glidden said stadium funding should come from more than just Minneapolis. Forty percent of the team's season-ticket holders are from outside the Twin Cities metropolitan area.

The team says it needs a new facility because its revenues are at the bottom of the NFL and the fan experience at the Metrodome is poor.

"On a tax basis, as well as a net-income basis, we are losing money," said Steve Poppen, the team's vice president of finance. "We will this year, and we did last year."

Team officials have said they would not sign a new Metrodome lease once the current one expires after the 2011 season, leading to relocation rumors, even though owner Zygi Wilf has repeatedly said he would not move the team. However, Bagley wouldn't rule out Wilf selling the team to someone who could relocate the franchise. "We're committed to getting the job done here," he said.

Poppen said Wilf purchased the team for \$600 million in 2005, and reports, such as Forbes, put the team's current value at about \$800 million.

Rep. Ryan Winkler (DFL-Golden Valley) questioned if a new stadium is a pressing need when the state's budget has yet to be balanced.

He said the team could continue to play in the Metrodome without a lease, as the Minnesota Twins did before Target Field opened.

"Minnesota Vikings fans and Minnesota taxpayers deserve to know whether they need to pass this bill this year to save the Vikings from leaving or whether we have time, and have time to deal with more pressing priorities first and can deal with a stadium issue sometime in the future."

"It's up to you to move the process forward, but again I would make the case as to why now," Bagley countered without directly answering the question. "The construction costs are down 9 percent, interest rates are at a 20-year low, we have an opportunity to create 7,500 construction jobs, preserve jobs that currently exist at the Metrodome and some ongoing jobs going forward. ... We know you have a lot of other issues, a lot of priorities, but we believe it's urgent that this issue get addressed." Bakk said waiting another year would add \$50 million to the price tag.

"What I want to be clear is that the Vikings aren't willing to tell us that we need to pass a bill this year in order to save the team," Winkler said.

Since 1992, Bagley said 28 other NFL teams have either moved into new stadiums or renovated a facility, such as Chicago and Green Bay.

"I don't like to try to solve problems when everything is under the gun," Solberg said. "If you do things with a threat over your head or under the gun, you may not be making the right kind of decisions. This gives the city and any other entity an opportunity to be able to move forward with negotiations. That may take a while. If it doesn't work out they'll be back here." 🐻



# K-12 education omnibus bill stalls

Teacher licensure proposals in contention

By KRIS BERGGREN

**D**ueling alternative teacher licensure proposals in the omnibus K-12 education bill have divided DFL lawmakers and stalled the bill's progress.

HF2431, sponsored by Rep. Mindy Greiling (DFL-Roseville), was pulled from the House Ways and Means Committee agenda shortly before the May 5 meeting.

That's because the DFL caucus disagrees on which proposal to support. Greiling said about half support a proposal preferred by Education Minnesota, the state teachers' union. The other half support stronger reforms proposed by Rep. Carlos Mariani (DFL-St. Paul), the House K-12 Education Policy and Oversight Committee chairman.

"We had a very civil caucus on the matter, but we're stuck at the moment," said Greiling, chairwoman of the House K-12 Education Finance Division.

Alternative licensure options can help meet shortage needs in some districts, in subject areas such as math, or specialties such as bilingual or special education. They can help districts recruit a more racially and culturally diverse candidate pool, and bring in nontraditional candidates, such as Teach for America members or mid-career changers, to become teachers without a four-year education degree.

HF3093, sponsored by Mariani, would allow candidates for alternative licensure a limited two-year license if they have a bachelor's degree, pass basic skills tests and complete at least 200 hours of instruction, including student teaching. Sen. Terri Bonoff (DFL-Minnetonka) sponsors a companion, SF2811, which has been incorporated into another Bonoff-sponsored bill, SF2757. It awaits action by the Senate E-12 Education Budget and Policy Division.

Allowing wider alternative teacher licensure

pathways is necessary to meet criteria for a federal Race to the Top grant of up to \$175 million over four years. However, the teachers' union is generally critical of alternatives to the traditional preparation program that includes about a semester of student teaching. Greiling said that other unions also oppose the bill, including the AFL-CIO, from which she received a letter stating their opposition.

"I would hope union politics wouldn't get in the way of a compromise. It would be a shame if we didn't pass the bill," Greiling said.

An amendment successfully offered to the omnibus bill by Rep. Will Morgan (DFL-Burnsville) April 28 in the House K-12 Education Finance Division proposes a different pathway targeted to mid-career changers. It would require a bachelor's degree in the licensure area and at least 10 years of experience in a related field, or a valid teaching license and at least five years of classroom teaching experience. It would require a minimum 200-hour instructional phase plus a full-time supervised student teaching experience of at least 12 weeks.

A problem for school districts is that they'd have to hire two people, the alternative licensure candidate and a teacher who would be in the classroom with the student teacher. He's sympathetic to districts' financial concerns, but Rep. John Ward (DFL-Brainerd) said that close supervision ensures quality preparation.

"I want to put the best, most highly qualified person in front of our children that's possible," Ward said. He hopes for a legislative deal, but won't compromise on the importance of a higher quantity of student teaching hours.

He said a 200-hour "instructional phase" alone is not a guarantee of enough actual supervised experience before a teacher assumes control of a classroom.

## Other provisions

The bill contains other policy reforms that could better position Minnesota for the grant, several funding proposals that could give school districts more flexibility and stability in funding and a major education funding reform package known as the "new Minnesota miracle."

Two provisions address financial mechanisms the state used this year to cover its cash flow at the expense of school districts. One would codify the shifts enacted by Pawlenty in 2009 that resulted in payments to schools that were 17 percent lower than usual. Property tax recognition shifts were also made. If not put into law, they could be considered cuts by a future administration that could then decide not to repay them.

A second would no longer require the state to tap school districts' cash reserves for loans before short-term borrowing elsewhere. This spring, \$423 million was borrowed from school districts with cash reserves that exceeded \$700 per pupil. Greiling said it's likely the state would do so again in the fall if the statute isn't repealed.

Advocates also like a provision allowing school boards to renew expiring levy referenda at the same rate and term by written resolution, without going to voters.

Rep. Paul Marquart (DFL-Dilworth) successfully offered an amendment May 4 in the House Taxes Committee that would allow a "reverse" referendum. Within 60 days of a school board deciding to extend a levy, 30 percent of voters could sign a petition to revoke the board's decision and put it before voters.

"This is a tough one, no doubt," Marquart said. "The fact that school funding has been flat has put a lot of school districts in a very tough situation."

**K-12 Education continued on page 22**

# Lessening a farmer's ecological footprint

Grant program for variable rate fertilizer equipment

By PATTY OSTBERG

**P**recision agriculture gives farmers and producers the ability to test the soil in their fields for 16 essential nutrients for plant growth. If one nutrient tests higher in a specific area the farmer can apply fertilizer without that nutrient to an area without sacrificing the yield.

Paul Trčka, an agronomist with Cenex Harvet States, Inc., told the House Agriculture, Rural Economies and Veterans Affairs Finance Division March 16 that precision agriculture, also known as variable rate technology, is “putting the right input, in the right price, in the right amount.” Certain nutrients, like phosphorus, affect water quality, and using this technology can help clean up groundwater and soil for future generations while decreasing farmers’ ecological footprints.

Included in the division’s omnibus bill (HF2678/SF2737\*) is an extension of grant money previously dedicated in 2007 and 2009. The fertilizer research grant money would help farmers purchase VRT equipment. Sponsored by Rep. Al Juhnke (DFL-Willmar) and Sen. Dan Skogen (DFL-Hewitt), the bill awaits conference committee action.

“We can increase yields across a field without increasing fertilizer usage; we can decrease fertilizer runoff and fertilizer going into the ground water,” said Rep. Tim Faust (DFL-Mora). He sponsors HF3021, a bill containing the grant program language that was incorporated into the omnibus bill.

Two major manufacturers of self-propelled VRT application equipment reside in Minnesota, and Faust hopes the grants would stimulate job growth. The money could possibly improve the state’s rural economy by creating skilled and specialized

jobs such as precision agriculture specialists, geographic information specialist analysts, high-tech applicators, lab employees and data acquisition specialists.

“The typical charge for variable rate equipment can be \$60,000 to \$90,000 over the price of a non-variable rate piece of the equipment, so there is a pretty substantial up-charge to that technology,” said Craig Jorgensen, business development specialist for AGCO, an agricultural equipment manufacturer.

“It makes it tough for (farmers) to want to accept that new technology even though they can see that it’s better, because there isn’t a lot of extra income that comes along with it,” Jorgensen said. More advanced equipment also requires more tech savvy staff and a longer process of mapping nutrients resulting in a much different approach compared to the “old days.” Approximately 40 dry fertilizer units that can variably apply three or more fertilizer products simultaneously are sold annually in the state, Jorgensen added.

“We’re really trying to be a part of the whole clean water thing in Minnesota,” Juhnke said. “The more units we get out there the better for our water.”

Using VRT includes sampling field areas to determine which are rich in nutrients or lack key elements to keep the soil in good production. Certain locations are of importance, including buffer zones and setbacks from streams. Technicians gather soil from specific locations and send it to a lab for testing. Once the samples are evaluated an application map can be created.

Factors that determine fertilizer application rates for field areas include: soil type, soil fertility levels and yield goal.

That information is useful when, for example, an application map shows high levels of phosphorous just outside an area where an old barn used to be located. The farmer could then

make decisions on what nutrients needed to be applied and where, Trčka said. Using VRT a farmer could efficiently apply five to six different nutrients in one shift while simultaneously controlling the application of

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***“We can increase yields across a field without increasing fertilizer usage, we can decrease fertilizer runoff and fertilizer going into the ground water.”***

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— Rep. Tim Faust  
DFL-Mora



herbicides.

Working on these types of applications takes timing and patience, but it’s worth the investment, Trčka said. VRT has shown improvement in the quality of grain, “better protein content in wheat and improvements in sugar content in sugar beets.” It’s also valuable for crops that are used for industrial canning because the process creates an electronic copy of when and how fertilizer is applied to crops, he said. 🌾

# 'A decade is a long time'

Eastlund is ready to let someone else take the reins

Editor's Note: As the 2010 session winds down, several members have announced their intentions to leave the Minnesota House of Representatives for new adventures. They leave a legacy of service that will remain part of legislative history.

By Nick Busse

Ten years at the House is enough for Rep. Rob Eastlund (R-Isanti), who doesn't believe politics should be a career. Eastlund originally committed to running for only six years; now, the five-term Republican thinks it's a good time to let someone else take the reins.

"There's a lot of political energy out there right now, and I think it would be a great opportunity for new people to step up," he said. "There's going to be no shortage of people that want to run, I don't think."

Eastlund, who said "a decade is a long time," will miss life at the Capitol — the people, the place, the excitement, and even "the committee controversies and the little squabbles," which he said keep things interesting.

"I'll miss that — being in the midst of all of that," he said.

Above all else, he'll miss working alongside "great people." Eastlund said he's come to respect his fellow House members for the sacrifices they make in order to serve, regardless of political orientation.

"For somebody to go through what you need to do to actually be elected ... and come down here and do this job, I just have a lot of respect for anybody that's willing to do that, because it's a big sacrifice," he said.

Over the last decade, Eastlund has racked up legislative accomplishments in the areas of public safety and veterans issues. He successfully carried legislation modifying the pay differential paid to state employees who are serving as active-duty National Guard members and reservists, and sponsored a number of bills dealing with family law issues like child support and child custody.

Eastlund said law enforcement has been

a focus of his legislative career. Among other things, he said he'd like to see more of a focus on treatment for drug offenders and others with long prison sentences.

"I think we need to be working on more treatment, more rehabilitation, those kinds of things," he said.

As far as his political philosophy, Eastlund said he will leave office with basically the same perspective he had when he arrived: that government is fundamentally too big.

"Government is growing too fast — I still believe that. And the pressure to keep it growing is immense when you're down here with special interest groups," he said.

Eastlund said Republicans, as well as Democrats, have been guilty of growing government. He points to Republican support for raising the cigarette "health impact fee" — essentially a tax on cigarettes. Eastlund said such "creative" attempts at finding new revenue are probably near an end.

"No matter how creative you get, there's a point where we get resistance, and we're there right now, I think, with the economy where it is."

According to Eastlund, a different kind of creativity is needed — one that can transform government by redesigning services where possible and cutting them where needed.

"I think we're going to see more reform ... more innovation," Eastlund said. "I think we're going to see government maybe become more focused."

Eastlund, who arrived at the Legislature with no grandchildren but will leave with six,



PHOTO BY ANDREW VONBANK

Eastlund said he will leave office with basically the same perspective he had when he arrived: that government is fundamentally too big.

plans to spend more time with his family. He would also like to get more involved in his church. He has a business to restart, too — property management and real estate — and he also does some farming and commercial building on the side.

Though he'll have a full plate when he returns home, Eastlund said he hasn't thought too much about the future.

"I don't have any big plan — no blueprint of where I go from here," he said. 🗽

## STEPPING DOWN

Rep. Rob Eastlund  
Republican  
District 17A - Isanti  
Terms: 5 (elected 2000)

Advice to successor: "Listen, a lot, to constituents and more experienced legislators. ... After you've listened to everybody, follow your instincts."



# Magnus will run for state Senate

Says activist influences are detrimental to good of state

By Kris Berggren

Rep. Doug Magnus (R-Slayton) calls his three young grandchildren, “the light of my life” and enjoys giving them tractor rides around the family farm in the southwestern corner of the state.

The 6-, 5- and 3-year-old children of the lawmaker’s daughter, Lori, also know their grandfather dons a suit and tie part of the year and heads almost 200 miles to St. Paul. The children think their grandpa works in “the castle,” as they’ve dubbed the Capitol complex, but his political style is anything but top-down.

As a freshman legislator, he sponsored a key bill in collaboration with a team that he recruited, including the state demographer and several agency heads.

“HF3,” Magnus said. “It was one of the top initiatives that year, JOBZ. It continues to exist. It was an economic development program for rural Minnesota credited with creating over 16,000 jobs,” he said. “That was my first big endeavor. And a big challenge.”

Eight years later, Magnus is leaving his House seat. Just as rotating crops is good for the soil, a periodic change in legislative members is good for the state, Magnus believes, though he stops short of supporting term limits.

He plans to run for the Senate seat being vacated by Sen. Jim Vickerman (DFL-Tracy).

“With the retirements of a lot of veteran rural leaders in the Senate, I decided they needed some experience there,” Magnus said.

“Besides, my wife said, ‘What are you going to do with all your suits?’”

He’s found a use for his old neckties, however, donating them to Teen Challenge, a residential treatment program for young men and women with chemical dependency problems. Participants work on their sobriety, go to school and work and sing in churches around the state on Sundays. He also collects old bicycles, repairs and donates them, so participants can get to their jobs.

“I’m a farmer. I can fix pretty much everything,” he said.

Teen Challenge helped him with one thing he could not easily fix — the substance abuse of his

son, Clint, a recovering methamphetamine addict who spent about a year in treatment there. Now 30, Clint farms with his father and continues to wrestle with recovery, Magnus reports, but has more good days than bad.

Magnus has co-sponsored bills to strengthen laws and penalties regarding sale of over-the-counter drugs used as precursors in the manufacture of methamphetamine and to clean up meth lab sites.

In his eight years in the House, his philosophy of holding state office is simple. He considers two questions about any piece of legislation: “First I would ask is this good for the state; second, does this hurt my district?”

Magnus said he is “known as one of the least partisan people here” and assumes that his fellow lawmakers on both sides of the aisle also have the best interests of the state in mind.

However, the seasoned lawmaker thinks “an increasingly evident” problem is the prevalence of “key activist” groups that wield money and influence over candidate endorsements. He said this problem isn’t unique to Minnesota, but is true of states with large urban centers where the concentration of need and wealth come to bear on the political process at federal and state levels.

“They just need 20-25 people to caucus and get (candidates) endorsed,” Magnus said. “The endorsed candidate will get 80 to 85 percent of the vote, and money from the groups.”

On the DFL side, such groups include unions, “entitlement” activists, environmentalists and Indian tribes, he said.

“On the other side of it, you’ve got



PHOTO BY ANDREW VONBANK

After eight years in the House, Rep. Doug Magnus wants to continue his legislative work in a different chamber.

conservative Republicans that are horrified by the thought of any tax increase,” he said, “so on the other side of it, the conservative side has sprung up with the Tea Party group.

“To get the Republican endorsement you’ve got to sign the Taxpayers League pledge to say you won’t raise taxes,” he said.

With his next race in mind, that begs the question: Will Magnus seek party endorsement if it means signing such a pledge?

“I’m not signing anything except to support my people,” Magnus said.

In the meantime, he remains sanguine about the current situation. “These things go in trends. That’ll reverse itself. We’ll see more people who want to do what’s best for the state.”

## STEPPING DOWN

Rep. Doug Magnus  
Republican  
District 22A - Slayton  
Terms: 4 (elected 2002)

Advice to successor: “Come in with an open mind. Be dedicated to doing what’s good for the state, and then what’s good for your district.”

# First Hmong House member shifts focus

Thao's family and business to get more of his time

By PATTY OSTBERG

Between the legislative time commitment and managing a growing assisted living facilities business, Rep. Cy Thao (DFL-St. Paul) said it's time to shift his priorities to his private life and not run for re-election. The change also means more desired time at home with his wife and two children, ages 6 and 9.

"In anything worth doing, you want to do it well, and I don't think you can do well on two things," he said.

The Thao family operates five assisted living facilities with a plan to double the number in the next few years. The business has been getting too big for his wife to handle alone while he is out serving his district, he said.

Thao says it's hard for mid-career professionals to be part of the process. It's a great place for someone who is starting out with no family or someone who is already retired and looking for something to do on the side. Being a legislator is "pitched as part-time ... but really it's not. It's full-time and the compensation is geared toward part-time," he said, adding that many legislators are forced to have a second job, and it's difficult to do two jobs well.

The dilemma leads to the Legislature missing out on participation from those who see firsthand what needs to be done and what is relevant to society's needs, he said. Thao believes the Legislature needs to become either full-time with pay accordingly, or go back to part-time when it met every other year.

In his four terms, he considers one of his greatest accomplishments instilling a sense of optimism and activism in the Hmong and Asian communities. Thao was the first

Hmong to serve in the House. "They have a way to be part of the political process ... and why they should be (is) because it does impact their daily lives," he said.

As chairman of the House Licensing Division, Thao said he realizes the tremendous responsibility he has had in moving Minnesota forward. "What you say or whatever direction you choose to go, that is the direction Minnesota will go with you."

Being a division chairman can be too much power for one person, Thao said. "I've been in conference committee where one chair could decide what to do and what not to do. ... Is that maybe too much power to be given to one person?"

One piece of legislation he's most proud

of is creating a mid-level dental practitioner position that has helped increase dental access for those in rural areas and the poor.

His advice to the person who fills his seat is, "Build relationships with staff, with members and with lobbyists." The more relationships you have, the better your chances of passing certain legislation, he said. When he began in 2002, the DFL was in the minority and he learned to ask the majority party to pass bills for him. "Being in the minority you have to be resourceful, and it's not so much about getting credit but passing what you need to get passed," he added.

The one aspect Thao has learned about himself is that he doesn't have a very thick skin for the scrutiny one receives in public office. "It's like you walk around with a target."

Earlier this year, the Minnesota Campaign Finance and Public Disclosure Board fined Thao \$4,700 for filing a false report and several questionable campaign payments, but that's not the sole reason he's not seeking re-election.

"There are so many reasons as to why I'm leaving and that could be one of them," he said. "Do I want that target on my back anymore? I really don't."

Yet, Thao isn't completely soured from the legislative experience. "Maybe in 15 to 20 years of doing business I might come back and be part of government again. ... Maybe by then I'll have thicker skin," he said with a laugh.



PHOTO BY ANDREW VONBANK

**In his four terms, he considers one of his greatest accomplishments instilling a sense of optimism and activism in the Hmong and Asian communities.**

## STEPPING DOWN

Rep. Cy Thao  
DFL  
District 65A - St. Paul  
Terms: 4 (elected 2002)  
Advice to successor: "Build relationships with staff, with members and with lobbyists."

## First Reading continued from page 4

The plaintiffs argued that the budget deficit was not “unanticipated” as the unallotment law requires and that the governor’s action upset the balance of power between the Legislature and executive branch. The defendants said the governor met the requirements of the law and that the statute doesn’t say the governor can’t unallot at the beginning of a biennium.

Gearin ruled in the plaintiffs’ favor on Dec. 30, issuing a temporary restraining order to stop the unallotment of the special diet program, retroactive to Nov. 1, 2009. In her ruling, Gearin said the way in which

the governor unallotted “trode upon the constitutional power of the Legislature.”

Pawlenty appealed the ruling to the Minnesota Supreme Court, which heard arguments on the case March 14 and issued its ruling on May 5. The ruling voided the unallotment for the special diet program.

## Other court challenges

Unallotments have been challenged in court before. After Pawlenty unallotted \$49 million from the Minnesota Minerals 21st Century Fund in 2003, several lawmakers and others

sued on the grounds that Pawlenty violated the separation of powers between the legislative and executive branches. The Minnesota Court of Appeals upheld the governor’s action, and the Minnesota Supreme Court denied a review of the case.

Quie was also sued by the Minnesota Federation of Teachers after he unallotted school aids in 1980. His action was upheld by the Ramsey County District Court.

— **Brenda van Dyck is the editor/publications manager for the nonpartisan House Research Department.**

## K-12 Education continued from page 17

Rep. Debra Hilstrom (DFL-Brooklyn Center) successfully offered an amendment to the amendment that would allow districts with more than 60 percent of students eligible for free or reduced-cost lunch, which had a referendum that expired between Jan. 2004 and Jan. 1, 2010, to renew the expired referendum in the same manner, although not retroactively.

Also included is a bump to \$7,500 per pupil,

and new components of revenue, such as a location equity index, that would eliminate inequities by tax base or geographic factors.

Greiling acknowledges the proposed major funding reforms are merely a “placeholder in hopes we could right our ship by 2014.” At least 24 education groups support the proposals, which would return the onus of funding schools to the state and remove it from property taxpayers. It would fully fund the state’s portion of special education,

which is now capped. Districts end up paying for special education, which is federally mandated, but only partly funded, with “cross-subsidies” from their other programs.

Sen. LeRoy Stumpf (DFL-Plummer) sponsors three companion bills: SF3189, the policy omnibus bill, which awaits action by the Senate Rules and Administration Committee; and education finance bills SF3063 and SF3028, which await action by the full Senate.



# BILL INTRODUCTIONS

MAY 3 - 6, 2010

HOUSE FILES 3818 - 3831

## Monday, May 3

### HF3818-Jackson (DFL)

#### Taxes

Construction materials and equipment used in the construction and improvement of a wastewater treatment facility exempted.

### HF3819-Dean (R)

#### Finance

Department of Human Services funding provided pending federal enactment of an extension of the enhanced federal medical assistance percentage.

### HF3820-Knuth (DFL)

#### Transportation & Transit Policy & Oversight Division

Engine braking on trunk highways regulated.

### HF3821-Winkler (DFL)

#### State & Local Government Operations Reform, Technology & Elections

Disclaimer required on certain campaign material and independent expenditure provisions modified.

### HF3822-Bly (DFL)

#### Health Care & Human Services Policy & Oversight

Voluntary statewide pool established to provide health benefits to eligible members; administration and oversight of the pool provided.

## Tuesday, May 4

### HF3823-Peterson (DFL)

#### Commerce & Labor

Homeowner’s insurance surcharge disclosure required.

### HF3824-Davnie (DFL)

#### Commerce & Labor

Commissioner of labor and industry required to convene a window cleaning safety advisory panel.

### HF3825-Solberg (DFL)

#### State & Local Government Operations Reform, Technology & Elections

Alternative plans for a new National Football League stadium in Minnesota provided, Minnesota Stadium Authority established and Metropolitan Sports Facilities Commission abolished.

### HF3826-Brown (DFL)

#### Agriculture, Rural Economies & Veterans Affairs

Health effect study required of wind turbine movement on veterans.

### HF3827-Peppin (R)

#### Commerce & Labor

Gasoline sales below cost regulated.

## Wednesday, May 5

### HF3828-Hilstrom (DFL)

#### Civil Justice

Cause of action established for intentional interference with the exception of inheritance.

### HF3829-Winkler (DFL)

Rules & Legislative Administration Retention elections established for judges, judicial performance commission created, money appropriated and constitutional amendment proposed.

## Thursday, May 6

### HF3830-Drazkowski (R)

#### Public Safety Policy & Oversight

Support Our Law Enforcement and Safe Neighborhoods Act enacted and various illegal immigration provisions modified, Minnesota Illegal Immigration Enforcement Team created and attorney general required to represent the state against any challenges to this act.

### HF3831-Torkelson (R)

#### Commerce & Labor

Prevailing hours of labor requirements modified.

If you have Internet access, visit the Legislature’s Web page at: [www.leg.mn](http://www.leg.mn)



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**MINORITY LEADER: KURT ZELLERS**

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Average June high temperature in Minneapolis, Bemidji and Grand Marais .....	79, 75, 67
Average January high temperature in Minneapolis, Bemidji and Grand Marais .....	22, 16, 16
Approximate time of sunrise on June 21, the first day of summer .....	5:27 a.m.
Sunset time .....	9:03 p.m.
Estimated number of lake resorts in Minnesota.....	900
Approximate number of privately operated campgrounds in state.....	500
Of Minnesota's 72 state parks and recreation areas, number that feature camping and lodging opportunities.....	67
Fishing licenses sold in Minnesota in 2009 .....	1,371,106
State parks that offer fishing kits (rod, reel and stocked tackle box) free to check out .....	30
Dates of Take-A-Kid Fishing weekend when Minnesotans 16 and older can fish for free.....	June 11-13
State parks where Kids Discovery Kits (including activities, stories and tips to help ensure that a child's early outdoor experiences will be fun and memorable) can be checked out for free .....	20
Number of lakes in state that are 10 or more acres in size .....	11,842
Approximate public access sites in state to launch a boat .....	2,000
Miles, as approximate, of natural rivers and streams in Minnesota.....	69,200
Water trails in state where canoeing and kayaking opportunities exist .....	30
Approximate miles on those trails.....	4,000
Lake Superior Water Trail length, in miles, that hugs the shores of the Great Lake .....	155
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Millions of acres, as approximate, of public hunting land in Minnesota .....	10
Questions by telephone answered annually by DNR information specialists on Minnesota's natural resources and outdoor recreational opportunities, as approximate .....	145,000
Approximate annual questions by e-mail .....	30,000

— **M. Cook**

**Sources: Department of Natural Resources; Explore Minnesota Tourism;  
The Weather Channel.**

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# SESSION WEEKLY

A NONPARTISAN PUBLICATION

MINNESOTA HOUSE OF REPRESENTATIVES • PUBLIC INFORMATION SERVICES

VOLUME 27, NUMBER 14 • MAY 14, 2010

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HF3832 - HF3849



## SESSION WEEKLY

Session Weekly is a nonpartisan publication of Minnesota House of Representatives Public Information Services. During the 2009-2010 Legislative Session, each issue reports House action between Thursdays of each week, lists bill introductions and provides other information. No fee.

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

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



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### Note:

We plan to publish the final issue of Session Weekly for 2010 once all bills have been acted upon by the governor. This session wrap-up issue will give readers a complete look at action taken during the session.

On the cover: Raindrops cover a State Office Building window that overlooks the Capitol May 11.

— Photo by: Tom Olmscheid

# Nightmares on Main Street

Can a political compromise spare homeowners from disaster?

By Nick Busse

**P**aul Stutler has lived through what many would consider to be a homeowner's worst nightmare. Two years ago, Stutler, an Eagan resident, discovered major water intrusion problems in his home — the result of a defect left by the builder. Though state law required the builder to pay for the repairs, Stutler's home warranty claim was ignored, and he sued to get his house fixed. After months of legal wrangling, he got a settlement, but not before spending \$40,000 on attorney fees.

It's a familiar story in some cities. In places like Woodbury and Eagan, many a suburban dream home has turned out to be a nightmare. Through no fault of their own, homeowners find themselves burdened with hundreds of thousands of dollars in repairs, tens of thousands of dollars in attorney fees, years of emotional stress and sometimes an unlivable home.

Despite his financial loss, Stutler said he got off relatively easy.

"I know of a neighbor of mine in Eagan who has been ruined by this," he said.

Minnesota has a home warranty statute that's supposed to protect people like Stutler. It states that builders and contractors have to ensure that buildings are free of "major construction defects" due to code violations for 10 years after they're built. When a builder's faulty work results in major damage to the home, they're liable for the cost of the repairs.

The trouble comes when builders contest a homeowner's claim. The resulting lawsuit can drag out for years, costing both sides tens of thousands of dollars in legal fees. But while the

builders typically have insurance companies to cover the cost of a lawsuit, homeowners are on their own. Many say the odds are stacked against them.

Take Steve Palmer's example. After moving to Woodbury six years ago, Palmer discovered moisture problems in his home, and a forensic engineer found multiple code violations. The builder denied fault, and Palmer spent two-and-a-half years and \$50,000 pursuing litigation. In the end, rather than throw away more money on a trial, Palmer took what he calls "a really lame offer" for a settlement. The experience drained more than just his bank accounts.

"I missed business, I neglected my family... My marriage is suffering because of it, my finances, everything. I mean, my life is in shambles," Palmer said.

## Homeowner help

With days left to go before the Legislature adjourns, lawmakers are on the verge of passing long-awaited legislation that would — hopefully — provide some help to people like Stutler and Palmer.

Sponsored by Rep. Marsha Swails (DFL-Woodbury) and Sen. Kathy Saltzman (DFL-

**First Reading continued on page 4**



PHOTO BY TOM OLMSCHIED

**Paul Stutler stands in front of his Eagan home that suffered severe water damage.**

## First Reading continued from page 3

Woodbury), HF3386\*/SF2832 is designed to help people avoid costly home warranty lawsuits. The bill provides an early evaluation process that would be set up through the Department of Labor and Industry. Under the plan, a neutral party would evaluate a homeowner's claim against a builder to determine who is at fault, what the repairs will likely cost, etc. The idea is to help homeowners and builders better understand their respective situations — and their odds of winning a lawsuit — before they go to court.

Charles Durenberger, the department's enforcement services manager for construction codes and licensing, said he believes it would knock out many lawsuits before they get off the ground.

"If nothing else, we'll get rid of those cases at the two extremes — the one extreme where the builder is just digging in his heels and being unreasonable, and the other extreme where the homeowner's expectations are maybe farther out than they should be," he said.

The bill passed the House and Senate with overwhelming bipartisan majorities. It currently awaits action by Gov. Tim Pawlenty, who is expected to sign it into law.

For Swails, it's a victory. She comes from a district plagued by home warranty issues, and has spent the last four years trying to get legislation passed to help homeowners.

"There's quite a bit of work left to be done, but this is a good step forward," she said.

The bill doesn't go as far as many would like, however. Swails herself said it represents a significant compromise from the legislation she really wants. And Stutler, Palmer and others argue it's too much of a compromise.

## Looking for justice

Homeowners who have been through litigation say the state's home warranty law has no real teeth, and that builders and their insurance companies try to game the system. Builders and insurers intentionally drag out the process, they say, hoping the aggrieved homeowners will either give up or settle for less than the cost of the repairs. It's a charge the builders deny, but Stutler said their incentive is clear.

"Families are getting wiped out because the insurance companies are doing a cold, hard economic calculation: 'I can outlast these guys,'" he said.

Last year, Swails proposed a fix to that problem. She sponsored legislation that would have required builders to pay a homeowner's

legal costs when a homeowner prevailed in a home warranty lawsuit. To her, it seemed like a reasonable way to remove the builders' incentive for procrastination and level the playing field for the homeowners.

"There are hundreds of examples in statute where the prevailing party is awarded attorneys fees," Swails said. "For this not to be applied to homeowners, to me, feels unjust."

Hearings were held. Palmer and many others testified in support of the bill, sharing their horror stories with lawmakers. Finally, after months of work, the House and Senate passed the bill and sent it to Pawlenty's desk shortly before adjourning the 2009 legislative session.

Pawlenty vetoed the bill. In a letter to lawmakers, he said the legislation would have further burdened an industry that was already devastated by the housing market crash.

"You gotta be kidding me," Palmer said, recounting his reaction upon hearing the news.

Frustrating as it was for Palmer and the others, Pawlenty and many Republican lawmakers saw the bill as potentially opening the door to a wave of frivolous lawsuits.

Pam Perri Weaver, executive vice president of the Builders Association of Minnesota, said awarding attorney fees would encourage attorneys to be more aggressive about pursuing litigation. She claims cases like Stutler's and Palmer's only show one side of the problem. The other side is that builders have to fend off frivolous lawsuits that drive up insurance premiums and increase the overall cost of housing, she said.

"I think that there are already far too many attorneys in this process, and I don't think attorney fees (legislation) will solve this problem. I think it'll make matters worse," she said.

## Not over yet

It's hard to say which side is right, since there's no real hard data on home warranty claims in the state. Stutler said that's one of the problems.

Last fall, Stutler, Palmer and other homeowners gathered with lawmakers in a Department of Labor and Industry conference room for a series of meetings to hash out a compromise on home warranty legislation. Across the table from them were builders, insurers and attorneys. Durenberger presided over the meetings.

As the talks progressed (or didn't, depending on whom you ask), Stutler said both sides

made assertions that no one could confirm or deny because the data simply doesn't exist.

"A lot of the discussion in that room was basically people telling other people that they knew better than they did. And that makes for a very poor discussion to start with," Stutler said.

With little hard evidence to construct legislation around, the group eventually came up with the compromise laid out in the Swails legislation.

Reviews of the bill were mixed. Builders and insurers were satisfied, believing it would save time and money. Homeowners weren't so sure. Stutler said the legislation probably would have helped him in his situation, but others are skeptical.

Ed Seifert, a Shoreview resident who also sat in on the stakeholder meetings, said he felt the process was stacked against homeowners and in favor of the industry. He said homeowners were outnumbered, and that none of the industry lobbyists wanted to talk about attorney fees, which he still considers "the simplest, easiest fix to the problem."

"It wasn't that I really had any problem with the (group's) recommendation. It's just that, in my opinion, it really doesn't do much of anything for homeowners," Seifert said.

Swails admits that more work is needed, and said those advocating for tougher reforms will soon have another day in court, so to speak. She and Durenberger plan to hold more stakeholder meetings later this year to look for a more comprehensive solution.

"Just because we didn't solve the entire problem doesn't mean it's not going to get solved; it just means we have a lot of work ahead of us. And I'm game," Swails said.

Both Swails and Durenberger believe the ultimate solution will hinge on some version of the attorney fees legislation that was vetoed by Pawlenty. What a compromise on attorney fees might look like is unclear, though some have floated the idea of limiting the types of lawsuits that would qualify. Weaver, speaking for the builders, said only that "it's possible" some form of the attorney fees legislation would be acceptable to the industry.

In the meantime, Durenberger said courts in Hennepin and Ramsey counties have taken it upon themselves to compress their schedules for construction defect cases. The effort by these counties, in addition to Swails' bill (assuming the governor signs it), should at least help "make a dent" in the amount of costly home warranty litigation, Durenberger said. 🙏



**Dear Readers,**

The Legislature is constitutionally required to adjourn by midnight, May 17. As this issue of Session Weekly goes to press, there remain several outstanding issues.

We plan to publish the final issue of Session Weekly for 2010 once all bills have been acted upon by the governor. This session wrap-up issue will give readers a complete look at action taken during the session.

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**Session Weekly staff.**

**Editor's note:** The following Highlights are coverage of select bills heard in House committees and other House activities held May 6-13. 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.

**CONSUMERS****Keeping laws up with new tobacco**

**Signed  
by  
the  
governor**

Minnesota's laws are on the way to keeping up with new tobacco products.

From strips that melt in your mouth to orbs that look like Tic Tacs, users can get a nicotine bump anytime, anywhere and undetected. Supporters of new regulations fear these products could lure in a whole new generation of tobacco users.

Rep. Jim Davnie (DFL-Mpls) and Sen. D. Scott Dibble (DFL-Mpls) sponsor the Tobacco Modernization and Compliance Act of 2010, signed into law May 10 by Gov. Tim Pawlenty. This will close the loophole on products that supporters say target younger generations.

Effective Aug. 1, 2010, the law expands the definition of tobacco products to include these new products and would regulate them as cigarettes and cigars. It will also apply

to electronic cigarettes and candy- or fruit-flavored "little cigars" that are similar in size to cigarettes, but because of their design are not as regulated.

A penalty for sale and/or possession of the products is spelled out in the law. It will be a petty misdemeanor for those under the age of 18 to possess, purchase or attempt to purchase a product containing or delivering nicotine or lobelia intended for human consumption, or any part of such a product, that is not tobacco.

HF3467/SF3055\*/CH305

— L. SCHUTZ

**CRIME****A felony for skimming tool**

**Signed  
by  
the  
governor**

The criminal code is changing because of technology.

Effective Aug. 1, 2010, a new law will make it a felony for someone to possess a

**BUDGET TALK**

PHOTO BY TOM OLMSCHIED

**Rep. Ann Lenczewski, right, chairwoman of the House Taxes Committee, confers with House Finance Committee Chairman Rep. Lyndon Carlson, Sr. during a May 10 hearing of the House Finance Committee.**

scanning device or reencoder used to acquire information from payment cards, a driver's license or state-issued identification card with "the intent to commit a crime, aid, or abet any unlawful activity."

Skimmers record information off the card's magnetic strip. Supporters note that these devices can go unnoticed by a consumer because they are about the size of a Bic lighter. For example, someone in the food or hospitality industry could hide one in their hand and run the strip through the skimmer without your knowledge.

Another common device retrieves someone's information at a cash machine. The skimmer looks like the outlet, albeit about one-quarter of an inch thicker. When a user inserts their card, the device and the ATM read the information.

Criminals will frequently make a new credit card with the acquired information.

Rep. Debra Hilstrom (DFL-Brooklyn Center) and Sen. Mee Moua (DFL-St. Paul) sponsor the law, signed May 10 by Gov. Tim Pawlenty.

HF2470/SF2493\*/CH293

— M. Cook

## EDUCATION

### Early childhood omnibus bill passes

The State Advisory Council on Early Childhood Education and Care would appoint a task force to study and make recommendations on creating an Office of Early Learning, through a bill on its way to the governor's desk.

The omnibus early childhood bill, HF2760/SF2505\*, sponsored by Rep. Nora Slawik (DFL-Maplewood) and Sen. Terri Bonoff (DFL-Minnetonka), would add the commissioner of health or a designated representative to the council. The bill lists who would serve on the task force, including representatives of state agencies serving young children, nonprofit organizers in the early childhood area, members of the council and representatives from the early childhood caucus.

The task force would consider a series of objectives related to delivering, measuring and improving quality of early childhood services. If established, an office could streamline oversight of education and child care services now administered by three departments: education, health and human services.

The council would also make recommendations on creating a statewide school readiness report card, and developing a plan to screen and assess 3 year olds and entering kindergarteners for school-readiness.

Slawik said the bill was crafted with

## BUDGET VOTE



PHOTO BY TOM OLMSCHEID

House Majority Leader Tony Sertich, from left, Rep. Andrew Falk and John Pollard, executive assistant to the majority leader, watch the voting board as members vote on a budget-balancing plan May 10.



bipartisan support and is backed by the commitment of private foundations and community funders to support most of its proposals.

It would also direct \$500,000 in federal funds toward helping child care providers get training and improve the quality of their facilities in preparation for a statewide quality rating system.

Rep. Keith Downey (R-Edina) urged a no vote, saying while he supports some of its objectives, it would be “unwise to embark on a study that’s looking to expand the role of government” when the legislative focus is on “reducing the size and scope of state government.”

The state has established a goal that all eligible children will be ready for kindergarten by 2020. Task force recommendations would consider best ways to screen children for developmental characteristics that could indicate readiness or the need for interventions in the case of developmental delays.

The conference committee report, adopted 103-30 by the House and 57-10 by the Senate on May 10, moved proposed screening and assessment plans to 2012.

— K. BERGGREN

### No teachers' insurance pool

**Vetoed  
by  
the  
governor**

For the third time in four years, Gov. Tim Pawlenty vetoed legislation that would have established a statewide insurance pool for teachers and school employees.

Sponsored by Rep. Larry Hosch (DFL-St. Joseph) and Sen. D. Scott Dibble (DFL-Mpls), the bill would have required all school districts that are not self-insured to purchase health coverage through a state-run insurance program.

In his May 10 veto message, Pawlenty wrote that the bill would not address the underlying factors that are driving up the cost of health care in Minnesota. He also faulted Education Minnesota, the teachers' union that supports the bill, for not being amenable to the governor's education reform proposals.

“I offered to more favorably consider this bill if the teachers' union and legislators would pass bold reform initiatives,” Pawlenty wrote.

Speaking on the House floor May 6, Hosch argued the plan would help keep health care costs down for schools, allowing them to put more money into classrooms. He said the bill could save school districts \$1 billion over 10 years.

“If we can save \$1 billion for our local school districts ... we are doing better for our children; we are doing better for our local

school districts; and, yes, we are doing better for all school employees,” Hosch said.

Opponents said it's unclear what the fiscal impact would be on individual school districts. Rep. Steve Gottwalt (R-St. Cloud) said the plan would benefit some school districts over others.

“The larger school districts will pay more in their health insurance by doing this because they're going to take on unhealthier people in other districts,” Gottwalt said.

HF866/SF915\*/CH322

— N. BUSSE

## ELECTIONS

### Affidavit of candidacy requirements

**Signed  
by  
the  
governor**

Those running in a legislative election must live in the district for at least six months prior to filing for the seat. A new law creates an administrative remedy to remove a person seeking candidacy from the ballot if it is determined they reside outside district boundaries.

Sponsored by Rep. Phyllis Kahn (DFL-Mpls) and Sen. Sandy Pappas (DFL-St. Paul), the law's impetus is from a court case in Kahn's district where an opponent actually resided in a different district, but was still able to be on the primary ballot.

Signed May 11 by Gov. Tim Pawlenty, the new law allows for a filing officer to determine whether a candidate's residential address is within the district. If they are not, the officer must immediately notify a candidate and remove them from the ballot.

Under the law, an affidavit of candidacy requires a candidate's residential address and telephone number. A candidate's residential address may be considered private data if a police report has been submitted or an order of protection completed.

The law also:

- permits a candidate to access apartments or dormitories in their district;
- clarifies who is considered a candidate, including if they have filed an affidavit of candidacy for elected office; and
- makes a technical clarification to an absentee ballot that members of a ballot board may declare “accepted.”

Candidates for office and resident address changes are effective May 18, 2010. Political candidate access to apartments is effective May 12, 2010, and the ballot board technical change is effective June 25, 2010.

HF655\*/SF531/CH314

— P. OSTBERG

### Determining ward boundaries

**Signed  
by  
the  
governor**

Cities previously had to wait to redraw district boundaries until the Legislature had completed its redistricting process. Under a new law, cities that elect council members by

wards can reestablish boundaries in a year ending in “1,” but no later than 14 days before the first day that affidavits of candidacy can be filed for city council members.

Sponsored by Rep. Phyllis Kahn (DFL-Mpls) and Sen. Sandy Pappas (DFL-St. Paul), the new law allows the boundaries to be modified before and after the Legislature has redistricted. Once the Legislature has redistricted, no modification in ward boundaries may result in a 5 percent change of the ward population.

In cities of the first class “where council members are elected to serve four-year terms that are not staggered, if the population of any ward changes by 5 percent or more, all council members must be elected to new terms at the first municipal general election after the boundaries have been redefined.”

If no election would occur in the year ending in “2” or “3,” a municipal general election must be held in one of those years.

Kahn said the timing of council elections can be particularly problematic for cities such as Minneapolis and St. Paul when elections happen before the Legislature has completed redistricting.

Signed May 11 by Gov. Tim Pawlenty, the law is effective May 12, 2010.

HF653\*/SF834/CH313

— P. OSTBERG

### Coercing candidates bill ‘unneeded’

**Vetoed  
by  
the  
governor**

Several White Bear Lake City Council candidates received an anonymous threatening e-mail message last year. The source claimed they would publish damaging information about the candidates if they continued to run for the council positions.

Sponsored by Rep. Paul Gardner (DFL-Shoreview) and Sen. Sandy Rummel (DFL-White Bear Lake), a bill that would have prohibited coercing a candidate running for office was vetoed by Gov. Tim Pawlenty May 10.

Pawlenty said in his veto letter that the bill is “unneeded” because state law already addresses the “behavior this bill seeks to prohibit” through criminal penalties.

The bill would have made coercion an offense subject to an administrative hearings process under the Fair Campaign Practices Act. After a completed process, a person could



also have faced criminal charges.

Current law prohibits someone from rewarding, or promising to reward an individual, for either becoming or not becoming a candidate. It is also illegal to threaten someone to get them to vote a certain way.

HF2510/SF2226\*/CH291

— P. OSTBERG

## ENVIRONMENT

### Spending plan for lottery receipts

An additional \$11,000 of available funds left on the table by the Legislative-Citizen Commission on Minnesota Resources for 2011 projects has been added to a spending bill by a conference committee.

HF2624\*/SF2462 would appropriate \$25.62 million in state lottery proceeds that were deposited into the Environment and Natural Resources Trust Fund. Projects are vetted through the LCCMR, which then makes recommendations to the Legislature about which environmental projects to fund. The dedicated funds were approved by voters in a 1988 constitutional amendment and are spent for the purpose of “protection, conservation, preservation and enhancement of the state’s air, water, land, fish, wildlife and other natural resources.”

After listening to concerns from project proposers, state department heads and considering a letter from Gov. Tim Pawlenty, a conference committee shifted some funding allocations and increased the total appropriations for 2011.

Rep. Jean Wagenius (DFL-Mpls) and Sen. Ellen Anderson (DFL-St. Paul) sponsor the bill, which was re-passed by the House 95-36 May 12 and by the Senate 59-7.

All of the LCCMR’s recommended projects would receive funding, plus additional money would be appropriated for several state park improvements. Rep. Tom Rukavina’s (DFL-Virginia) House floor amendment would have shifted land acquisition money over to state park improvements. That set up a major difference between the Senate and House bills. In a May 4 letter to conferees, Gov. Tim Pawlenty said he was concerned that the House position to shift from land acquisition to park improvements “undermines current commitments made by the state for the purchase of priority in-holdings within the state park system.”

A conference committee reached an alternative solution to use the unallocated \$11,000 plus \$247,000 from previous trust fund appropriations that were never spent to create \$258,000 for state park improvements. That way, the Department of Natural

Resources could still reimburse the Parks and Trails Council for various land acquisitions the council purchased on the DNR’s behalf.

The bill also would provide funding for:

- \$1.75 million to acquire and preserve land as Scientific and Natural Areas (SNAs);
- \$1.47 million for combat aquatic and ter-

restrial invasive species, such as buckthorn, garlic mustard, emerald ash borer, and round goby; and

- \$3.364 million for renewable energy research, development and education projects, including several environmental learning centers.

## MINORITY ARRIVES



PHOTO BY TOM OLMSCHEID

**House Minority Leader Kurt Zellers and Rep. Sarah Anderson arrive at Gov. Tim Pawlenty’s office May 12 to join the other legislative leaders to work on a solution to the state’s budget shortfall.**

A combination of projects to train teachers and educate students about the environment would be funded, such as Project Get Outdoors operated by the DNR and Get Outside-Urban Woodland for City Kids outdoor classroom at Como Regional Park in St. Paul.

A proposed \$143,000 appropriation to the University of Minnesota for a life cycle analysis of low carbon energy technologies available to implement in Minnesota was vetoed by the governor last year, was revised by the applicant and resubmitted to the LCCMR again this year.

— S. HEGARTY

### Drainage laws modified

**Signed  
by  
the  
governor**

Effective Aug. 1, 2010, the Board of Water and Soil Resources is directed to work with stakeholders and to convene informal working groups to develop recommendations for updating drainage laws.

In addition, the new law directs where a person may petition for the rerouting, diverting or impounding of drainage water. If a proposed drainage system is under the jurisdiction of the county drainage authority, the petition must be filed with the county auditor. If a system is in a joint authority's jurisdiction, the petition must be filed with the county with the largest area in the drainage system. A copy of the petition must be submitted to the auditor of each county and be available to the public.

The petitioner should identify funding sources to acquire the land rights needed to construct a drainage project and supply a map that identifies affected areas. The petitioner will be required to pay the county auditor the actual cost of placing public hearing notices, rather than the previous set amount. If the estimated cost of the drainage project is more than \$25,000, a public notice will be required in a trade newspaper. The existing \$3,000 threshold was established in 1947.

The drainage authority will be able to order a drainage lien assessed to properties that benefit from a project to be paid in one or two installments if the cost is under \$500. Current law set the maximum for liens at less than \$50.

Rep. Rick Hansen (DFL-South St. Paul) and Sen. Dan Sparks (DFL-Austin) sponsor the law. Gov. Tim Pawlenty signed it May 10.

HF162/SF364\*/CH298

— S. HEGARTY

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## FAMILY

### Guardian ad litem board creation

**Signed  
by  
the  
governor**

Oversight of a group that advocates for the best interests of children in protection and parental rights cases will change.

Sponsored by Rep. Debra Hilstrom (DFL-Brooklyn Center) and Sen. Mee Moua (DFL-St. Paul), a new law transfers the guardian ad litem function from the judicial branch to an independent board. State appropriations currently directed to the courts to oversee the program will also be transferred.

Modeled after the Public Defense Board, which supervises Minnesota's public defender system, the law aims to eliminate the conflict of interest between guardians, who represent the best interest of the child, but are appointed and paid for by the court system.

The seven-member board will be comprised of four gubernatorial appointees and three members appointed by the Supreme Court, one of whom must have former guardian ad litem experience. An active judge cannot serve, but a retired one can. Registered lobbyists cannot be appointed.

Guardian ad litem conduct an independent investigation to determine the facts relevant to the situation of a child and family, including observing the child in the home setting and considering the child's wishes. They then present written reports and recommendations concerning the child's best interests to the court.

The law, signed May 11 by Gov. Tim Pawlenty, takes effect July 1, 2010.

HF2990/SF2880\*/CH309

— M. COOK

### Partner rights passed

Partners in same-sex relationships would have a greater say in carrying out each other's final wishes, under a bill passed by the House 78-55 May 11.

Sponsored by Rep. Erin Murphy (DFL-St. Paul) and Sen. Yvonne Prettner Solon (DFL-Duluth), HF454/SF341\* would give a surviving domestic partner the right to control the disposition of their deceased partner's remains. The surviving partner could also sue to recover medical or funeral costs in the case of a wrongful death.

The bill defines domestic partners as same-sex couples who are in a "committed interdependent relationship" with each other and have assumed responsibility for each other's basic welfare, financial obligations and well-being.

Murphy said the bill would give same-sex couples the same after-death rights as married couples.

Republicans criticized Democrats for choosing to take up the bill when lawmakers are under a budget crunch.

"We have a fiscal emergency and yet we sit here today doing divisive politics," said Rep. Laura Brod (R-New Prague). "I think what we ought to be doing is talking about how we're going to solve our budget deficit."

"This is not intended to divide us," Murphy said. "This is a narrowly-drawn piece of legislation focused on ending discrimination in our law."

The bill was amended to include minor language changes. It now goes back to the full Senate, which passed it 41-24 May 4, for concurrence.

— L. RADOMSKI

## GAME & FISH

### Conferees on policy, lands bill

Excess land for sale by the Department of Natural Resources, also known as the lands bill, was added to the omnibus game and fish bill, and passed May 12 by the House.

The Senate did not agree with the changes, and a conference committee has been requested to work out the differences.

Sponsored by Rep. David Dill (DFL-Crane Lake) and Sen. Satveer Chaudhary (DFL-Fridley), HF3124/SF2900\* would authorize the sale and purchase of varying sizes of property in multiple counties. One of those includes an 80-acre parcel in Hastings that Rep. Denny McNamara (R-Hastings) said is no longer desirable as a Wildlife Management Area and is better suited for development.

A provision that would allow the DNR to sell land for less than its appraised value drew criticism. Rep. Steve Drazkowski (R-Mazeppa) suggested the DNR hold out for a while longer until the economy improves.

Dill said the provision was included because it would apply to land that did not sell at its appraised value and needs to be liquidated.

The bill also contains several modifications to hunting and fishing laws, including the removal of height restrictions on permanent deer stands and permitting a private landowner, or a person authorized by the landowner, to hunt bear on the person's land using a drum with bait.

A few amendments succeeded on the House floor.

Rep. Andrew Falk (DFL-Murdock) added a provision to allow the DNR to remove beavers, in addition to removing their dams, if they cause water to back up and threaten access



to public roads; Rep. Cy Thao (DFL-St. Paul) added an amendment to allow spears to be used for hunting big game during the big game firearms season; and Rep. Denise Ditttrich (DFL-Champlin) succeeded in restricting the harvest of small mouth bass in four spawning areas until the Monday following the third Sunday in June.

In order to deter poaching of trophy deer, restitution payments would be increased to between \$2,000 and \$5,000. And those who accidentally kill a deer with a motor vehicle would be given an option to keep the deer.

To address agricultural concerns, a new provision would allow a county to offer a bounty on the taking of coyotes.

— S. HEGARTY

## HOUSING

### Landlord-tenant changes enacted

**Signed  
by  
the  
governor**

Landlord advocates and tenant advocates have agreed to a compromise on some issues that have been a source of contention.

Provisions in a new law, sponsored by Rep. Joe Mullery (DFL-Mpls) and Sen. D. Scott Dibble (DFL-Mpls), include:

- landlords cannot charge a late fee for rent unless agreed to in writing, and the late fee cannot exceed 8 percent of the overdue rent payment;
- landlords must provide receipts if the rent or other payments are paid in cash;
- if a lease provides for attorney fees for a landlord that prevails in an action or summary proceeding, a tenant could also be awarded attorney fees if they prevail;
- a landlord who breaks the law related to utility building and single-metered buildings is liable to the tenant the greater of \$1,000 or twice the actual damages plus reasonable attorney fees;
- new notice requirements for eviction actions when a tenant remains in a property after the redemption time has expired;
- a penalty up to \$500 plus reasonable attorney fees is established for tenants who lie on their application; and
- additions to the prohibited activities of a landlord with respect to an applicant's screening fee, including a prohibition from using, cashing, or depositing a screening fee "until all prior applicants have been screened and rejected, or offered the unit and declined to enter into a rental agreement."

Most of the law, signed May 11 by Gov. Tim Pawlenty, takes effect Aug. 1, 2010. The late fee provision takes effect for leases entered

into beginning Jan. 1, 2011; the attorney fees provision is effective for leases entered into beginning Aug. 1, 2011, and for leases renewed on or after Aug. 1, 2012.

HF2668\*/SF2595/CH315

— M. COOK

## HUMAN SERVICES

### Children's cavity prevention

**Signed  
by  
the  
governor**

Primary care providers are encouraged to provide basic cavity prevention services to children and teens on Medical Assistance, under a new law signed by Gov. Tim Pawlenty

May 11.

Sponsored by Rep. Kim Norton (DFL-Rochester) and Sen. Kathy Sheran (DFL-Mankato), the law specifies cavity prevention services that may be offered to children and teens during check-ups or episodic visits. These include a general visual examination of a child's mouth, as well as a risk assessment based on factors established by the American Academy of Pediatrics and the American Academy of Pediatric Dentistry. With parental consent, providers may administer a fluoride varnish to children ages 1 and older who are assessed as being high-risk.

Providers who choose to provide cavity prevention services will need to give a child's parent or legal guardian information on caries etiology and prevention, and discuss the importance of finding a dentist. These actions must be documented in the child's medical record.

The law takes effect Aug. 1, 2010.

HF984/SF633\*/CH307

— L. RADOMSKI

### Mental health policies modified

**Signed  
by  
the  
governor**

Children's mental health policies are modified in a new law signed by Gov. Tim Pawlenty May 11.

Most of the new language relates to children from American Indian tribes who receive treatment for mental health concerns. The law gives Indian Health Service, and certain tribal health facilities the responsibility for determining a child's level of care when one of those entities will be paying for it. It also specifies that a representative from a child's tribe must be invited to be part of a "juvenile treatment screening team" that includes social workers, juvenile justice professionals and others.

Sponsored by Rep. Larry Hosch (DFL-St. Joseph) and Sen. Linda Berglin (DFL-Mpls), the law also directs the Department of Human

Services to come up with a new rate structure for payment of mental health diagnostic assessments.

It takes effect Aug. 1, 2010.

HF2926/SF2912\*/CH303

— L. RADOMSKI

### Changes to MSOP policies

**Signed  
by  
the  
governor**

Changes are in store for the transfer, temporary discharge and release of people civilly committed to facilities under the Minnesota Sex Offender Program.

A new law modifies the statute that governs treatment of sexually dangerous persons and sexual psychopathic personalities. Sponsored by Rep. Terry Morrow (DFL-St. Peter) and Sen. Tony Lourey (DFL-Kerrick), the law does the following:

- describes procedures for notifying a victim of a pending petition for commitment, provisional discharge, discharge or temporary release of a sexually dangerous person or sexual psychopathic personality, as well as the victim's right to submit a written statement;
- prohibits a person committed as a sexually dangerous person or sexual psychopathic personality from being transferred, provisionally discharged or discharged without a hearing and the approval of a judicial appeal panel and special review board;
- sets grounds for revocation of provisional discharge, as well as procedures for appeal;
- outlines the responsibilities of MSOP for providing supervision, aftercare and case management for sexually dangerous persons and sexual psychopathic personalities after release; and
- gives the Department of Human Services responsibility for placing an individual on a judicial hold due to a petition for civil commitment as a sexually dangerous person or sexual psychopathic personality in the appropriate secure treatment facility.

Signed by Gov. Tim Pawlenty May 10, the law takes effect Aug. 1, 2010.

HF3300/SF2713\*/CH300

— L. RADOMSKI

### DHS technical changes

**Signed  
by  
the  
governor**

Technical changes to Department of Human Services programs make up the bulk of a new law signed by Gov. Tim Pawlenty May 11.

Sponsored by Rep. Thomas Huntley (DFL-Duluth) and Sen. Linda Berglin (DFL-Mpls), the law makes the



## TAX CONFERENCE



PHOTO BY TOM OLMSCHIED

House tax conferees, from left, Rep. Dean Urdahl, Rep. Lyle Koenen, Rep. Ann Lenczewski, Rep. Paul Marquart and Rep. Diane Loeffler meet with Senate conferees in Room 15 of the Capitol May 12.

following selected changes to current law:

- expands the availability of state grants awarded to community-based health care initiatives, modifies requirements for participation in these programs and extends the grants' sunset date;
- removes a requirement that an infant under age 1 must reside in his or her mother's household to receive coverage under Medical Assistance;
- exempts federally qualified health centers and rural health clinics from certain limitations on participation in Medical Assistance, General Assistance Medical Care and MinnesotaCare;
- modifies dental services covered by Medical Assistance, including adding coverage of medically necessary services for pregnant woman and orthodontia for children; and
- specifies that the department may not set income standards below those for July 2009 when updating eligibility requirements for Medical Assistance.

The law takes effect July 1, 2010.

HF3237/SF3027\*/CH310

— L. RADOMSKI

### Changes to MFIP, childcare

**Signed  
by  
the  
governor**

Policy and technical changes to child care funding and the Minnesota Family Investment Program make up the bulk of a new law.

MFIP is a Department of Human Services program that provides food and cash assistance to working families. Under the new law, qualifying households with four to 10 members will see a slight increase in their food benefits. The law also modifies requirements for people with newborns and eligibility criteria for hardship extensions, among other changes.

Signed by Gov. Tim Pawlenty May 10, the law takes effect July 1, 2010.

Sponsored by Rep. Jeff Hayden (DFL-Mpls) and Rep. Patricia Torres Ray (DFL-Mpls), the law also has implications for child care and child welfare. It modifies rules for administering child care grants and removes a requirement that child care resource and referral programs provide loans for childhood development, education and training. It also includes language extending foster

care benefits to age 21, which is part of a law (HF3039/SF2690\*/CH269) signed April 22 by the governor.

HF3088/SF2855\*/CH301

— L. RADOMSKI

## LAW

### Unsworn declarations act enacted

**Signed  
by  
the  
governor**

The Uniform Unsworn Foreign Declarations Act allows a person physically outside the United States who needs something notarized to do an unsworn foreign declaration.

Such a declaration is subject to perjury penalties and would be useful in cases where a person cannot get access to a notary.

Rep. Melissa Hortman (DFL-Brooklyn Park), who sponsors the law with Sen. Mee Moua (DFL-St. Paul), said the act exists because of increased security following Sept. 11, making it harder to get to United States consulates abroad.

Proposed for adoption by the National

Conference of Commissioners on Uniform State Laws, a new law provides that if Minnesota law requires a sworn declaration for something, an unsworn foreign declaration would have the same effect. A similar federal law already exists.

Unsworn declarations cannot be used for depositions, oaths of office, an oath required to be given before a specified official other than a notary public, declarations recorded under certain real estate laws, oaths related to self-proved wills and power of attorney.

Signed May 10 by Gov. Tim Pawlenty, the law takes effect Aug. 1, 2010.

HF3318\*/SF2984/CH295

— M. COOK

## LOCAL GOVERNMENT

### Assessors may testify on appraisals

The property tax court has been waiting more than a year for the Legislature to act on a bill that could help resolve hundreds of appeals cases on hold, according to Rep. Gail Kulick Jackson (DFL-Milaca).

Awaiting action by the governor is HF3147/SF2885\*, a bill she sponsors with Sen. Lisa Fobbe (DFL-Zimmerman). Passed 110-24 by the House May 11, and 56-11 by the Senate March 29, it clarifies the intent of a 1993 law by specifically authorizing county assessors to perform property appraisals, prepare reports and testify before any court as an expert within the jurisdiction.

Jackson said that since a strict reading of the law in a 2009 appeals case, *Shoppes of Woodbury v. Washington County*, courts have been prevented from accepting county assessors' expert testimony regarding property appraisals. Hiring outside appraisers is a costly alternative, adding an estimated \$25,000 to the county's cost.

"It's clear the tax court wants us to do something, and that many cases are on hold," said Jackson.

Rep. Laura Brod (R-New Prague) unsuccessfully offered an amendment that would have made the law apply to testimony offered, and opinions or reports prepared, for cases filed after the effective date. She was concerned about "the potential of changing the law in the middle of some court cases."

— K. BERGGREN

### Property maintenance codes OK'd

**Signed  
by  
the  
governor**

A 2008 state Supreme Court decision, *City of Morris v. Sax Investments Inc.*, threw enforcement of local building codes into question if they differed from those contained

## STATEHOOD DAY



PHOTO BY TOM OLMSCHIED

**As part of Statehood Day May 11, Kerry Foerster portrays Minnesota Constitution delegate Lewis L. McKune, a Waseca farmer who advocated an east-west border for the state.**

in the state building code. Rep. Tim Mahoney (DFL-St. Paul) said that decision has made it harder to allow municipalities to enforce health and safety inspections of rental property.

Signed by Gov. Tim Pawlenty May 11, the new law, sponsored by Mahoney and Sen. Dan Sparks (DFL-Austin), makes an important clarification that while the State Building Code supersedes local ordinances, municipalities can enact and enforce local property maintenance ordinances in order to keep buildings "in a safe and sanitary condition or in good repair."

However, those local codes may not exceed standards on which the structure was built, remodeled or added to "unless specific retroactive provisions for existing buildings have been adopted as part of the State Building Code."

Minneapolis Director of Building Inspection Henry Reimer said the change is necessary to maintain livability of many older neighborhoods, especially with the "unprecedented conversions of single family homes to rental" he said is occurring in the wake of the foreclosure crisis.

HF2945/SF2759\*/CH308

— K. BERGGREN

## Food carts can stay longer

**Signed  
by  
the  
governor**

Food carts could sprout up this summer in plazas and on street corners around the state, thanks to a new law allowing them to be semi-permanent.

Effective May 11, 2010, one day after signed by Gov. Tim Pawlenty, the law allows mobile food carts to stay in one location longer than 21 days, provided the local regulatory authority permits.

"We're working to improve our civic climate downtown, create more vibrancy on the streets," said Rep. Frank Hornstein (DFL-Mpls), who sponsors the law with Sen. D. Scott Dibble (DFL-Mpls). The opening of Target Field, the new Minnesota Twins ballpark, was the impetus for that effort in Minneapolis.

The original proposal was meant to apply just to the state's largest city, but an amendment successfully offered by Rep. Mary Kiffmeyer (R-Big Lake) on the House floor makes the law statewide.

HF3591\*/SF3115/CH294

— K. BERGGREN

## Salary reporting exception vetoed

**Vetoed  
by  
the  
governor**

In the interest of transparency about how taxpayers' money is spent, cities and counties must report the salaries of their three highest paid employees and post the salaries on the city website, in certain print publications or in the annual notice of proposed property taxes.

Rep. Lyle Koenen (DFL-Clara City) and Sen. Gary Kubly (DFL-Granite Falls) sponsored a bill that would have exempted communities with a population of more than 15,000 from reporting hospital employees' salaries. Koenen said the measure was intended to help some communities compete to recruit and hire personnel such as hospital administrators and key physicians.

However, Gov. Tim Pawlenty vetoed the bill May 11 because all Minnesota government salary information is public data. "(The law) was enacted to provide greater transparency by requiring affirmative publication of salary data for certain highly compensated employees. This legislation would provide a carve-out exemption for some hospitals, thereby decreasing accountability and transparency," he wrote in a veto message.

HF3327\*/SF2594/CH312

— K. BERGGREN

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## RETIREMENT

### State employee early retirement

As another sign of the state's financial cash crunch, state employees who have participated for at least 15 years in one of several state retirement plans could be eligible for their benefits or annuity.

Sponsored by Rep. Lyndon Carlson Sr. (DFL-Crystal) and Sen. Tom Bakk (DFL-Cook), HF1893/SF1679\* lays out eligibility for state authorities to provide employees the option to take early retirement before July 15, 2011. Eligible for early retirement are those employed in the legislative, executive and judicial branches; and participants in the Public Employees Retirement Association, Minnesota State Retirement System, the Teachers Retirement Association, the Minnesota State Colleges and Universities System or the University of Minnesota.

The House Finance Committee approved the bill May 10 after incorporating the House language. It awaits action on the House floor.

As an incentive, eligible retiring employees could see their employer's health insurance contribution partially or fully paid for up to 36 months. As a condition, the employee receiving the incentive cannot be employed or hired as a consultant by the eligible appointing authority for three years after termination.

The Senate passed the bill 44-19 on May 13, 2009.

— L. SCHUTZ

## SAFETY

### Domestic abuse changes now law

**Signed  
by  
the  
governor**

A new law contains a number of provisions to help domestic abuse victims.

Sponsored by Rep. Debra Hilstrom (DFL-Brooklyn Center) and Sen. Mee Moua (DFL-St. Paul), the law includes expanding the area for protection for a reasonable distance around a residence or dwelling of a person seeking an ex parte order for protection. It comes from HF2608/SF2437, sponsored by Hilstrom and Moua.

Signed May 10 by Gov. Tim Pawlenty, the law takes effect Aug. 1, 2010.

Other bills contained in the law include:

- HF1396/SF838, sponsored by Rep. Michael Paymar (DFL-St. Paul) and Sen. Sandy Pappas (DFL-St. Paul), which allows animals and companion animals to be included in protective orders;
- HF3089/SF2715, sponsored by Paymar and

## ROTUNDA HUDDLE

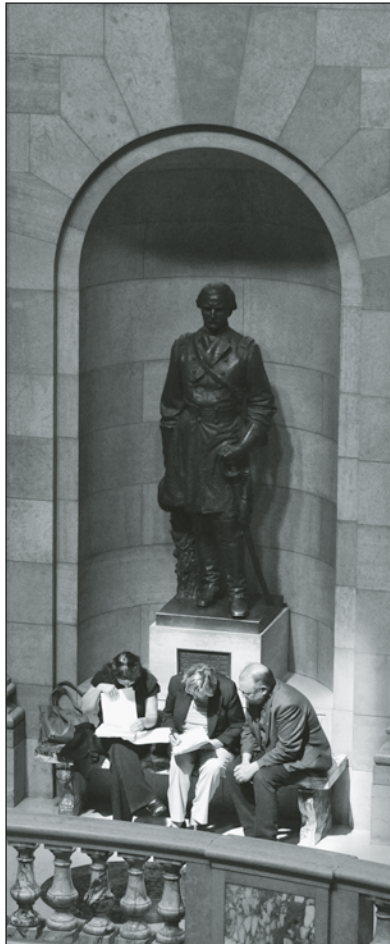


PHOTO BY TOM OLMSCHIED

**Mary Jo George, governmental affairs and public policy specialist with the Minnesota Nurses Association, from left, Susan Stout, director of government relations with the Minnesota Hospital Association and Bob Ryan, representing the United Steelworkers-Surgical Technologists, huddle in a beam of light from a window in the Rotunda May 6 to work on a MnSCU health pilot project provision in a bill.**

Moua, which increases the maximum bail for non-felony domestic abuse offenses at 10 times the highest cash fine, expands the tampering with a witness crime and clarifies the requirement that the criminal justice data communications network includes OFP's and no-contact orders;

- HF3090/SF2714, sponsored by Hilstrom and Sen. Linda Scheid (DFL-Brooklyn Park), which clarifies the crime of stalking by explicitly labeling the applicable statute "stalking," refining the stalking definition and expanding the list of conduct that constitutes stalking;
- HF3361/SF2997, sponsored by Rep. Mary Liz Holberg (R-Lakeville) and Sen. Mary Olson (DFL-Bemidji), which exempts certain

domestic abuse or sexual attack programs from data practice requirements;

- HF3383/SF3108, also sponsored by Holberg and Olson, which establishes data classification of private for vehicle information for OFP's and no-contact orders; and
- HF2864/SF2636, sponsored by Rep. Paul Gardner (DFL-Shoreview) and Sen. Chuck Wiger (DFL-Maplewood), which would permit a judicial district to conduct a pilot project to allow courts in the district to order, as a condition of release in domestic abuse cases, electronic monitoring of an offender to protect a victim's safety. This provision expires Jan. 15, 2014.

HF2608/SF2437\*/CH299

— M. COOK

### Expanded service animal harm penalty

**Signed  
by  
the  
governor**

It is already a gross misdemeanor to intentionally cause bodily harm to a service animal.

Effective Aug. 1, 2010, a similar charge can be brought against someone who intentionally renders a service animal unable to perform its duties.

Sponsored by Rep. Mindy Greiling (DFL-Roseville) and Sen. D. Scott Dibble (DFL-Mpls), a new law requires a court to order mandatory restitution for the costs resulting from the criminal act, including the service animal user's lack of income, veterinary expenses, transportation costs and service animal replacement or retraining. A victim can still seek civil damages.

The law, signed May 10 by Gov. Tim Pawlenty, also goes after people who train fighting animals by providing that "whoever possesses any device or substance with intent to use or permit the use of the device or substance to enhance an animal's ability to fight is guilty of a gross misdemeanor." The language comes from HF728/SF800 sponsored by Rep. Joe Mullery (DFL-Mpls) and Sen. Leo Foley (DFL-Coon Rapids).

HF3312/SF2990\*/CH292

— M. COOK

## STATE GOVERNMENT

### Contract reporting available online

**Signed  
by  
the  
governor**

Professional and technical state contracts valued at more than \$25,000 will be posted online.

Sponsored by Rep. Kory Kath (DFL-Owatonna) and Sen. Jim Carlson (DFL-Eagan), the new law lowers the threshold from \$50,000 to \$25,000. The head of the agency administering the contract



must submit a report to the Department of Administration commissioner, who then will make the report available online. Current law requires a hard-copy be submitted to the Legislative Reference Library.

The report will include a contract summary, including why it's necessary, the amount spent, if it was awarded without following the solicitation process and a written performance evaluation of the work done.

The commissioner must currently send a yearly report of the contracts to the governor, and chairs of the House Ways and Means Committee and the Senate finance committees. The ranking minority members are added, under the new law.

Kath said the change will give greater transparency to how government spends money and give "greater sunshine to these types of contracts."

The law takes effect July 1, 2011.

HF3589\*/SF3084/CH302

— P. OSTBERG

### Faster complaint process

Signed  
by  
the  
governor

When a citizen files a data practices complaint against a state agency, it often takes months or years to resolve.

A law to speed up the process was signed by Gov. Tim

Pawlenty May 10.

Sponsored by Rep. Gene Pelowski Jr. (DFL-Winona) and Sen. Don Betzold (DFL-Fridley), the law establishes a new process through the Office of Administrative Hearings when filing a complaint under the Data Practices Act.

Under the law, a person will file a complaint with the office, along with a \$1,000 filing fee. The complaint must be filed within two years after the occurrence of the act or failure to act that is the subject of the complaint. If the government entity concealed information and the act wasn't known about within the two-year period, the complaint must be filed within one year after the concealment is discovered.

A hearing, if needed, must occur within 30 business days of the involved parties being notified. A judge must: dismiss the complaint; find that an act or failure to act constituted a violation; impose a civil penalty against the respondent of up to \$300; issue an order to comply with the law violated; or refer the complaint for consideration of criminal charges.

A complainant who "substantially" prevails would be awarded attorney fees up to \$5,000 and refunded the \$1,000 filing fee minus \$50.

The law also requires the Board of Teaching, Department of Education and Minnesota Board of School Administrators to enter into a private data sharing agreement for the purpose of approving preparation programs for teachers and school administrators. The licensing boards may approve only those redesigned preparation programs that address identified areas of K-12 concern.

The private data may include information on teachers and school administrators, and "summary data" on students, defined as "statistical records and reports derived from data on individuals but in which individuals are not identified."

The law takes effect July 1, 2010, except for the education data portion, which takes effect Aug. 1, 2010.

HF2899\*/SF2354/CH297

— P. OSTBERG

### Impact note requesters increased

Signed  
by  
the  
governor

The chairs and ranking minority members of the House Finance and Ways and Means committees will be added to the list of people who can request local fiscal impact notes for proposed legislation. Currently, only the chair and ranking minority members of the House Taxes Committee have the ability to request fiscal notes.

Rep. Steve Simon (DFL-St. Louis Park), who sponsors the law with Sen. Ron Latz (DFL-St. Louis Park), said it's not only tax bills that cost money and have impact on local communities.

Minnesota Management & Budget coordinates the development of fiscal notes and calculates the impact on each type of political subdivision that would result from proposed legislation.

Signed May 11 by Gov. Tim Pawlenty, the law takes effect Aug. 1, 2010.

HF3748/SF3325\*/CH306

— P. OSTBERG

## TRANSPORTATION

### Deputy registrar terms won't expire

Signed  
by  
the  
governor

Nearly half of the 174 deputy registrars in the state are incorporated, and were destined by state statute to lose their appointments in 2012, but thanks to a new law that won't happen. Rep. Randy Demmer (R-Hayfield) and Sen. Katie Sieben (DFL-Newport) sponsor a law to remove the expiration date.

The legislation also allows for the relocation of the Dakota County-operated deputy registrar's office in Burnsville to Burnhaven Library in the city, with full authority to function as a registration and motor vehicle tax collection and driver's license bureau. The move is expected to save the county money by relocating from a rental property to a county-owned facility. However, approval was necessary to move within 15 miles of another deputy registrar office; an Apple Valley office is five miles away.

Signed by Gov. Tim Pawlenty May 10, the removal of expired terms language is effective Aug. 1, 2010. The Burnsville office relocation is effective the day after Dakota County files its approval with the secretary of state.

HF1209\*/SF973/CH296

— S. HEGARTY

### Window tinting law expanded

Signed  
by  
the  
governor

Anyone who sells or applies vehicle window tints that are darker than current law allows could be found in violation of a new law and subject to a misdemeanor charge.

Though states differ in the degree of tinting allowed, Minnesota prohibits driving a vehicle within state borders with tinting that has a light transmittance of less than 50 percent or a reflectance of more than 20 percent.

Effective Aug. 1, 2010, the law closes a loophole that prohibited driving a vehicle with windows that were too dark, but still allowed for the selling or application of the darker tints. Vehicles with windows that are too dark may still be sold, but not driven, in the state.

Gov. Tim Pawlenty signed the law, sponsored by Rep. Carlos Mariani (DFL-St. Paul) and Sen. Sandy Pappas (DFL-St. Paul), on May 11.

HF2914/SF2370\*/CH304

— S. HEGARTY

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# House K-12 omnibus bill fast-tracked

Senate slow to respond with companion legislation

By KRIS BERGGREN

**W**ithin four days, HF3833, the newest omnibus K-12 education bill, was introduced, approved by a committee and passed 86-47 by the House May 11.

It replaces HF2431, which was travelling through the committee process until being tabled May 7 in the House Ways and Means Committee.

Rep. Mindy Greiling (DFL-Roseville), the bill's sponsor, successfully offered an amendment on the House floor that removes the proposal to codify the funding shifts made by the governor through last year's unallotment process, saying legislative leaders are negotiating a separate plan to address unallotments and repayment of the K-12 shifts.

The Senate does not have a comprehensive education finance and policy bill, instead

splitting proposals into smaller bills. The Senate passed two of the bills May 13 that reflect House provisions. Both sponsored by Sen. LeRoy Stumpf (DFL-Plummer), SF3063 would authorize fund transfers for several school districts, and SF2598 would allow Metro Deaf School-Minnesota North Star Academy to be reimbursed entirely by special education revenue.

HF3833 awaits action by the Senate Finance Committee. Lacking a Senate companion, the House omnibus bill's fate is in limbo, although Greiling is hopeful the bodies could still agree on a "basic education bill." She hopes it would include several House proposals she

said would help school districts manage their finances in tough fiscal times.

"What education groups want the most," she said, is a proposal that school boards could extend an expiring operating levy referendum without voter approval. It includes a reverse referendum option.

Other measures include a proposal to streamline districts' ability to bill third-party payers, including Medicaid or private insurers, for special education services. Another would reduce red tape in applying for health and safety revenue to give districts easier access to that funding. The bill also would repeal a statute requiring the administration to tap school districts' cash reserves for loans before short-term borrowing elsewhere.

School districts served as the state's short-term lender this year through \$1.8 billion in delayed state aid payments Gov. Tim Pawlenty authorized in 2009, and borrowing \$416 million this spring from districts with cash reserves of more than \$700 per pupil.

Also in the bill is the package of funding formula reforms known as the "new Minnesota miracle." It is intended to be phased in starting in 2014, and cost \$2 billion when fully implemented.

Republicans are troubled there is no revenue linked to the proposal.

"We need to solve our problems that we have now," said Rep. Paul Kohls (R-Victoria). "This makes our problems worse in the future."

Greiling said the proposals demonstrate a commitment to invest in public education.

"We should never be ashamed of having a placeholder in our budget that's not funded right now," Greiling said, "but when we do (have revenue), we have this plan in place for equitable and fair funding for our students no matter where they live in our state."

The bill contains some policy reforms needed if Minnesota pursues a federal Race to the Top grant, although meeting the June 1 deadline is unlikely the longer it takes to pass them.



PHOTO BY ANDREW VONBANK

Rep. Mindy Greiling presents the omnibus K-12 education bill May 11 on the House floor.

K-12 education continued on page 23

## Deal or no deal?

Endgame is unclear as budget talks enter final days

By NICK BUSSE

**O**nce again, the race to balance the state's budget has come down to the wire.

Legislative leaders and Gov. Tim Pawlenty met throughout the week to discuss possible ways to erase a projected \$3 billion budget shortfall. They reported lots of ideas, but — as of Session Weekly publication time — no solid agreement.

"There's not a plan; there are some ideas that are out that everyone is thinking about and talking about," said House Speaker Margaret Anderson Kelliher (DFL-Mpls).

Among the points of contention, Pawlenty wants the Legislature to ratify his \$2.7 billion in spending unallotments from 2009. The Minnesota Supreme Court ruled May 5 that the unilateral cuts were an executive overreach by the governor, effectively throwing them out.

DFLers oppose ratifying all of the governor's unallotments, especially a \$1.8 billion delay in K-12 school aid payments that they say the governor has no plans to pay back. They say a budget deal must include a mechanism to start paying back the K-12 shifts back in the next biennium, and also protect poor and needy Minnesotans from health and human services cuts.

"Standing up for Minnesotans who are frail

and fragile is important to us right now, and we want to make sure that there is a way to pay for that," Kelliher said.

On May 10, the Legislature passed a DFL-backed measure that would have enacted many of the governor's unallotments, including the K-12 shift. It also included a new, higher income tax tier for wealthy Minnesotans that would have raised \$443 million in new revenues. DFL leaders argued it was a fair compromise, but Pawlenty vetoed it, arguing tax increases would harm the state's economic climate.

Lawmakers could still vote to override the governor's veto, but House DFLers would need at least three Republicans to join them in doing so. Senate Majority Leader Larry Pogemiller (DFL-Mpls) said the Legislature is unlikely to push very hard on the tax issue as budget negotiations move forward.

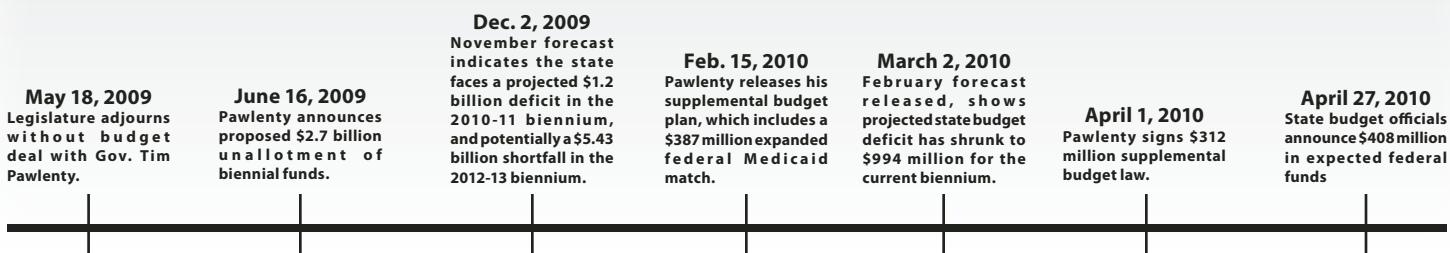
"I think it's fair to say the governor is not



PHOTO BY TOM OLMSCHIED

House Majority Leader Tony Sertich and Sen. Tarryl Clark are surrounded by the media after an afternoon budget meeting with the governor May 6.

## Budget Timeline 2009-2010





interested,” Pogemiller said, adding, “We got the point.”

Another issue is whether to allow Minnesotans to opt in to an early expansion of Medicaid. The provision was included in an omnibus health and human services finance bill that Pawlenty vetoed May 13.

“The outstanding pieces still revolve around kids and schools, and health care for Minnesotans,” Kelliher said. “That is where we started the session and it looks like that is where we are going to end the session.”

All week long, House and Senate leaders could be seen filing in and out of the governor’s office, trying to negotiate a compromise. All sides reported progress and a positive tone to the discussions, despite a lack of overall agreement.

“We’re still meeting and negotiating, so that’s always a good sign,” said House Minority Leader Kurt Zellers (R-Maple Grove).

## When it rains, it pours

Just a few weeks ago, lawmakers thought they were facing a very different budget situation.

By late April, the Legislature had already passed and Pawlenty had signed a bill that cut the deficit by \$312 million. With the federal government expected to kick in \$408 million, lawmakers and the governor only had a \$128 million problem left to deal with, in theory. The situation appeared to be under control.

Then, on April 27, the picture began to cloud. Legislators got word that the federal money was unlikely to arrive before the Legislature adjourned because the enhanced Medicaid match funding had unexpectedly stalled in Congress. State budget officials were “80 percent” sure that the money would eventually come; nevertheless, they suggested lawmakers come up with contingency plans in case it didn’t.

Eight days later, the Minnesota Supreme Court threw the entire legislative session for a loop. The court ruled that Pawlenty



PHOTO BY ANDREW VONBANK

**House Minority Leader Kurt Zellers takes questions from the media May 7 during the Republican response to the Minnesota Supreme Court decision against Gov. Tim Pawlenty’s unallotments.**

had overstepped his executive authority last year when he unallotted \$2.7 billion in state spending. In a 4-3 decision, the court reasoned Pawlenty was wrong to use unallotment before the budget was balanced.

In an instant, the state’s budget gap swelled to more than \$3 billion. With 12 days to go, the state’s leaders now had a much bigger problem to address.

## The worst-case scenario

The situation grows even more complicated when you throw in the state’s cash flow problems. For months, the state’s cash accounts have been dwindling to precariously low levels, mainly because of poorer-than-expected tax receipts. To avert a projected shortfall earlier this spring, the state even had to delay \$416 million in payments — mostly to K-12 school districts.

With the governor’s unallotments undone, the state’s cash flow situation ups the ante for a budget deal. Brian McClung, Pawlenty’s

spokesman and deputy chief of staff, said that if a judge were to order reinstatement of the unallotted spending, the state would instantly run out of money.

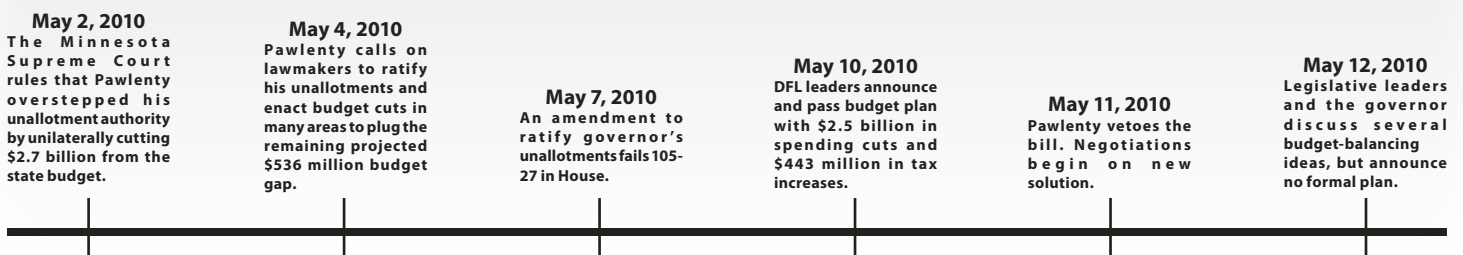
“If all of the unallotments were undone, or even if just the K-12 deferral itself were undone, the state would not have the cash flow money that day,” McClung said.

Pawlenty has asked state agency heads to begin planning for what McClung called a “crisis scenario.” If the state does run out of cash, McClung said the governor may have to order a reduction in some state services or even a government shutdown.

The leaders are optimistic that won’t have to happen. Summing up the situation, Senate Minority Leader David Senjem (R-Rochester) said the options on the table aren’t all that great, but for the time being, they just have to work.

“We can make this work,” Senjem said. “I think we’ll come to the realization that they may not be the best solutions, but they are a solution.” 🗽

## Budget Timeline 2009-2010



# Definitions matter

Language for environment and energy spending called into question

By SUE HEGARTY

**I**nterpreting the constitutional will of the voters became a key issue in discussion of the omnibus environment, energy and natural resources policy and finance bill, which includes how to spend the outdoor heritage funds.

Shortly after midnight on May 13, the House passed the conference committee report on HF3702/SF3275\*, sponsored by Rep. Jean Wagenius (DFL-Mpls), 107-25. The Senate re-passed the bill 59-7 May 12. It awaits action by the governor.

The outdoor heritage funds appropriated in the bill may be used “only to restore, protect, and enhance wetlands, prairies, forests, and habitat for fish, game, and wildlife,” according to the 2008 constitutional amendment approved by voters. The House modified those

definitions in a bill they passed last week and included acquisition as part of the definition to protect wetlands, prairies, forests and habitat.

But several legislators and stakeholders argued that the new definitions were not thoroughly vetted, may be legally challenged and should be repealed. On May 12, a conference committee agreed to repeal the definitions, drop the House modifications and let the constitutional amendment speak for itself.

“We decided that even though we did a lot of work last week in moving toward acceptable definitions, the Senate wasn’t there, so that was hardly fair. We decided that, yes indeed, the suggestion that we could drop the definitions that we had established in law ... that we would drop them if indeed the Outdoor Heritage Council would stop using their definitions. Chairman (Mike) Kilgore agreed,” said Rep. Mary Murphy (DFL-Hermantown), who chairs the House Cultural and Outdoor Resources Finance Division, which the provisions flowed through. “We are going to use ... the definitions that were contained therein in the constitutional amendment that the people of Minnesota voted for. We think those are definitions that are narrow enough or broad enough to satisfy any proposal that comes before the council to talk about.”

“It kind of reminds us that the constitution — those really are the words that we need to all follow — and we’ll use our very best

**Environment continued on page 23**



PHOTO BY TOM OLMSCHIED

**Sen. Ellen Anderson, from left, and Rep. Mary Murphy, co-chairs of the conference committee dealing with Legacy Funds, listen to testimony May 12 along with House conferees Rep. Will Morgan, Rep. Jean Wagenius, Rep. Rick Hansen and Rep. Greg Davids.**



# HHS bill is DOA but hoping for CPR

Supporters cite gaining federal funds, governor concerned about spending

By LAUREN RADOMSKI

**G**ov. Tim Pawlenty and legislative leaders were expected to continue talks on the omnibus health and human services budget bill after the governor delivered an expected veto May 13.

Passed by the House and Senate May 12, HF2614\*/SF2337 would reduce General Fund health and human services expenditures by \$114 million in the current biennium and by \$155 million in the next biennium. Prior to the floor votes, Pawlenty said the legislation needed to do more to reduce spending.

"This bill doesn't really go very far in that regard," he reiterated at a Thursday press conference.

The governor and DFL leadership are also at odds over an early federal health care reform initiative that would draw down more than \$1 billion in federal funding over the next three

years with the help of a state match. Another sticking point: surcharges on hospitals, long-term care facilities and HMOs that would help capture the federal dollars.

A part of the Legislature's budget-balancing solution, the bill is crucial to "leaving our books in the black," said Sen. Linda Berglin (DFL-Mpls), who sponsors the legislation with Rep. Thomas Huntley (DFL-Duluth).

On Wednesday, Berglin said she and House leadership were intent on continuing negotiations with Pawlenty.

"I think it's important for the governor to be working with us and not telling us every time

we try to help out here that we're a problem," Berglin said.

As of Session Weekly press time, DFLers had not publicly discussed whether they would attempt a veto override.

## Assessing federal reform

One of the bill's key components is related to the federal health care reform law. It would have a major impact on low-income adults, the doctors who care for them and the state's future health care spending.

Under the proposal, certain Minnesotans making less than \$8,000 annually could enroll in the state's Medicaid program as soon as next year. This would include childless adults enrolled in General Assistance Medical Care and MinnesotaCare, programs that are solely state-funded.

Supporters favor the change because the Medicaid program garners federal dollars, which will grow significantly in 2014. That's when Medicaid will cover a broader range of adults across the country.

The proposal is favored by hospital officials because it would reimburse them for each GAMC patient that they treat, Berglin said. In contrast, the revised GAMC program offers hospitals low reimbursement for agreeing to treat an unknown number of patients.

Huntley said Minnesota would receive about \$1.4 billion in federal funding over the next three years if the state embraces the Medicaid option. Legislators would fund a required state match with \$188 million from the General Fund and about \$1.2 billion that otherwise would have been spent on GAMC and MinnesotaCare.

Huntley called the Medicaid option something lawmakers can't pass up.

"It's \$7.45 returned for every dollar that we spend in that program," he said, "and where will that \$1.4 billion go? It's going to go to our health care providers, our hospitals, our physicians and our nurses who have been severely cut over the last three or four years."

**Omnibus HHS continued on page 23**



PHOTO BY ANDREW VONBANK

Rep. Thomas Huntley and Sen. Linda Berglin listen to the side-by-side comparison of the House and Senate health and human services bills during a May 7 conference committee meeting.



## Tracking new laws, vetoes

Once a bill passes the House and Senate in identical form, it is sent to the governor for consideration. The governor has several options when considering a bill:

- sign the bill and it will become law;
- veto the bill;
- line-item veto individual items within an appropriations bill; or
- do nothing, which can have two different effects.

The timing of these actions is as important as the actions themselves.

In the second year of the biennium, (even-numbered years) a bill passed by the Legislature and presented to the governor before the final three days of the session will become law unless the governor vetoes it by returning it to the Legislature within three days. (Sundays are not counted in the three-day time limit, but holidays are.)

The governor normally signs the bills and files them with the secretary of state, but his or her signature is not required. If a bill is passed during the last three days of session, the governor has a longer time to act. He or she must sign and deposit it with the secretary of state within 14 days after the Legislature adjourns "sine die." If the governor does not sign a bill within this time frame, it will not become law — an action known as a "pocket veto." The governor is not required to provide a reason for the veto.

Only on appropriations bills can the governor exercise the line-item veto authority. This allows the governor to eliminate the appropriation items to which he or she objects. With the exception of pocket vetoes, the governor must include a statement listing the reasons for the veto with the returned bill. Here, too, the

timetable is three days after the governor receives the bill.

Policy items contained in appropriation bills may not be line-item vetoed. In order to veto such an item, the governor is required to veto the entire bill.

A two-thirds vote of the members in each house is needed to override a veto. But because only the governor can call a special session of the Legislature, anything vetoed after the Legislature adjourns is history — at least until the next year.

The governor's veto authority is outlined in the Minnesota Constitution (Article IV, Section 23).

More information is available on the governor's Web site ([www.governor.state.mn.us](http://www.governor.state.mn.us)). Select the "Legislation" link.

**Key:**  
CH=Chapter; HF=House File; SF=Senate File

Chapter	HF	SF	Short Description	Signed	Vetoed
231	212*	333	Pretrial filing prerequisite of a transcript eliminated for admission into evidence of law enforcement vehicle recordings.	4/15/2010	
232	2616*	2453	Bicyclists allowed to stop and proceed through red light under limited circumstances.	4/15/2010	
233	2823*	2232	Deed filing contract definitions clarified, and common interest community certificate changes made.	4/15/2010	
234	3065*	2590	Securities lending agreements and holding of municipal funds provided.	4/15/2010	
235	3277*	3102	Advertising of deceptive local telephone numbers businesses specified as a deceptive trade practice.	4/15/2010	
236	1457	987*	Unfunded mandates affecting local governmental units eliminated.	4/15/2010	
237	2708	2559*	Conforming change made to provide for the right of the borrower to obtain a postponement of a foreclosure sale that has a 12-month redemption period, as is now available for a six-month redemption period.	4/15/2010	
238	3299	2562*	Child support enforcement provisions updated on access to information, and actions by a public authority.	4/15/2010	
239	2991	2517*	Court authorized to furnish any electronic copies of documents to public defender at no charge.	4/15/2010	
240	3023	2322*	Business screening services regulated, and correction and deletion of certain criminal records provided.	4/15/2010	
241	3362*	2841	Petroleum tank release provisions modified.	4/15/2010	
242	3420	3091*	Medical examination requirements conformed for commercial driver's license to federal law.	4/15/2010	
243	2927	2852*	Health care clearinghouse added for health care provider transactions.	4/15/2010	
244	2674	2475*	Veterans of Foreign Wars Day designated as May 28.	4/15/2010	
245	2928	2580*	Juneteenth observance governing provisions modified.	4/15/2010	
246	3196	2923*	Home health care services regulating provisions modified.	4/15/2010	
247	3097	2616*	Private shared services regulated, and regulatory provisions modified.	4/15/2010	
248	3212	2877*	Continuing education requirements exception provided for licensed professional counselors.	4/15/2010	
249	3085	2722*	State and political subdivisions and others exempted from increased interest rates on certain judgments and awards.	4/15/2010	
250	3025	2705*	Organization and operation of business corporations, nonprofit corporations, and limited liability companies regulated; consistent law provided relating to registered agents and offices of business entities; and prohibition repealed against certain business names.	4/15/2010	
251	3174*	2862	Predatory offender registration law amended to address registrants living in homeless shelters and to clarify that the registration requirement for offenders who move out of state are suspended not terminated.	4/15/2010	
252	3143*	3013	Explore Minnesota Tourism Council membership requirements amended.	4/15/2010	
253	3460*	3090	Definition changed to conform to International Registration Plan for commercial motor vehicles.	4/15/2010	

\*The legislative bill marked with an asterisk denotes the file submitted to the governor.

Chapter	HF	SF	Short Description	Signed	Vetoed
254	3128*	2796	Powers clarified for health care agents, guardians, and others to make health care decisions for wards and protected persons, and governing guardians and conservators provisions modified.	4/15/2010	
255	3186	2808*	Omnibus liquor bill.	4/22/2010	
256	3447	3116*	DNA collection from offenders authorized.	4/22/2010	
257	3016	2572*	Vehicle impoundment notice time clarified.	4/22/2010	
258	2402	2152*	Lead acid battery recycling, purchase, return, and collection regulated, and certain charges modified.	4/22/2010	
259	3130	2363*	Fire departments authorized to access criminal history data on current employees.	4/22/2010	
260	3360	2944*	Contractor continuing education requirements modified.	4/22/2010	
261	3405*	3199	Commissioner's state medical review team duties modified.	4/22/2010	
262	3151*	2903	Viewing, transportation, and removal of a dead human body provisions modified.	4/22/2010	
263	776*	612	Uniform Foreign-Country Money Judgments Recognition Act enacted and recommended for passage by the National Conference of Commissioners on Uniform State Laws.	4/22/2010	
264	1692*	891	Dispute arbitration provided, and Uniform Arbitration Act adopted.	4/22/2010	
265	2851*	2662	Trunk highway routes Nos. 332 and 297 modified.	4/22/2010	
266	3096*	2735	Rehabilitation facility, extended employment provider, and day training and habilitation service program provisions changed.	4/22/2010	
267	3393*	2985	Minnesota Common Interest Ownership Act amended.	4/22/2010	
268	3423	2339*	Criminal penalty increased for possessing dangerous weapons on school property while criminal penalty lowered for brandishing, using, or possessing replica firearms and BB guns on school property.	4/22/2010	
269	3039	2690*	Driver's license requirements modified for foster children, in-court reviews required, and definition of parent expanded for child protection proceedings.	4/22/2010	
270	3191	2717*	Sexual contact in secure treatment facilities included as criminal sexual conduct in the third and fourth degrees.	4/22/2010	
271	737	1246*	Rehabilitation counselors for the blind certification provided.	4/26/2010	
272	3061*	2991	Minnesota's waste management hierarchy amended.	4/26/2010	
273	3286*	3005	Metropolitan Council best value contracts and procurement for transit vehicles authorized.	4/26/2010	
274	2969	2851*	Health licensing technical provisions modified.	4/26/2010	
275	3146	2825*	Continuing education provisions modified, insurance laws amended involving insurance company rehabilitation and liquidation, group life insurance, use of mortality tables, the Life and Health Insurance Guaranty Association, mutual insurance companies, and fraternal risk-based capital regulated.	4/26/2010	
276	3157*	3087	Parent notification of child maltreatment in a school facility modified.	4/26/2010	
277	2907*	2254	State goals set for the deployment and speed of high-speed broadband.	4/26/2010	
278	2879*	2592	Minors allowed to contract for automobile insurance.	4/26/2010	
279	2231*	2004	Road authorities allowed to remove snow from certain roads in uncompleted subdivisions.	4/26/2010	
280	3048*	2928	Construction codes and licensing provisions modified, and certain notice provisions modified.	4/26/2010	
281	3391*	2999	Children in need of protection or service provisions modified.	4/26/2010	
282	3076	2844*	Elevator provisions modified.	4/30/2010	
283	2839	2758*	Minnesota entrepreneur virtual assistance network authorized, and money appropriated.	4/30/2010	
284	3164*	2822	Transfer of credits regulated within institutions belonging to the Minnesota State Colleges and Universities system.		4/30/2010
285	3347	2996*	School concession stands established as a specific category of food and beverage service establishments.	4/30/2010	
286	1372	1323*	Infectious Waste Control Act modified.	4/30/2010	
287	2855*	2726	Boiler provisions modified and civil and criminal penalties amended and imposed.	4/30/2010	
288	1182*	1112	Public service corporation eminent domain authority clarified.	4/30/2010	
289	1320*	1137	Substitution of drugs used for the treatment of epilepsy or seizure rule adoption clarified.	4/30/2010	
290	2925	2873*	Public facilities programs amended and technical changes made.	4/30/2010	
291	2510	2226*	Coercion prohibited for a person who is considering being a candidate.		5/10/2010
292	3312	2990*	Criminal penalty provided for intentionally rendering a service animal unable to perform its duties, offenders convicted of harming service animals required to pay restitution, and civil remedies are not precluded by the criminal penalty for harming service animals.	5/10/2010	
293	2470	2493*	Scanning device and reencoder use to acquire information from payment cards included as identity theft.	5/10/2010	
294	3591*	3115	Minneapolis authorized to adopt an ordinance to define the annual duration of operation of mobile food units.	5/10/2010	
295	3318*	2984	Uniform Unsworn Foreign Declarations Act proposed for adoption by the National Conference of Commissioners on Uniform State Laws, and penalties provided.	5/10/2010	
296	1209*	973	Corporate deputy registrar expiration date removed.	5/10/2010	
297	2899*	2354	Administrative remedy provided for certain data practice law violations, civil penalty provided, and money appropriated.	5/10/2010	
298	162	364*	Watershed district drainage system provisions modified, and money appropriated.	5/10/2010	
299	2608	2437*	Protection area extended to a reasonable area around residence or dwelling in ex parte orders for protection.	5/10/2010	
300	3300	2713*	Civilly committed sex offenders, sexually dangerous persons, and sexual psychopathic personalities provisions modified, and judicial holds in commitment cases provisions amended.	5/10/2010	

Chapter	HF	SF	Short Description	Signed	Vetoed
301	3088	2855*	Children and family service technical and policy provisions changed, Minnesota family investment program and adult supports provisions changed, and child welfare provisions changed.	5/10/2010	
302	3589*	3084	Contracts for professional or technical services reporting threshold reduced.	5/11/2010	
303	2926	2912*	Children's mental health policy provisions; American Indian chemical dependency licensure programs requirements; mental health diagnostic assessment payments structure.	5/11/2010	
304	2914	2370*	Illegally tinted motor vehicle windows sale prohibition.	5/11/2010	
305	3467	3055*	Tobacco Modernization and Compliance Act of 2010.	5/11/2010	
306	3748	3325*	Local impact notes request from finance and ways and means committees authorization.	5/11/2010	
307	984	633*	Medical assistance (MA) primary care health care providers primary caries (cavities) prevention performance encouragement.	5/11/2010	
308	2945	2759*	State building code municipal enforcement provisions modifications.	5/11/2010	
309	2990	2880*	State guardian ad litem board establishment.	5/11/2010	
310	3237	3027*	Changing health care eligibility provisions, making changes to individualized education plan requirements.	5/11/2010	
311	3168	2756*	Overdimensional load escort drivers traffic control authority and commissioner of public safety to escort driver training and certification program establishment.	5/11/2010	
312	3327*	2594	Employees of city-owned or county-owned hospital exempt from certain reporting requirements.		5/11/2010
313	653*	834	Municipal precinct and ward boundary procedures and requirements changed.	5/11/2010	
314	655*	531	Candidacy affidavit required to state candidate's residence address and telephone number, and candidate placement on ballot prohibited if residency requirements are not met.	5/11/2010	
315	2668*	2595	Expungement procedures modified, fee charging and recovery procedures provided, and certain rights provided to tenants of foreclosed properties.	5/11/2010	

## BILL INTRODUCTIONS

MAY 7 - 13, 2010  
HOUSE FILES 3832 - 3849

### Friday, May 7

#### HF3832-Carlson (DFL)

##### Ways & Means

Health and human services contingent appropriations made.

#### HF3833-Grailing (DFL)

##### Ways & Means

Early childhood through grade 12 education policy and funding provided including general education, education excellence, special programs, facilities and technology, accounting, state agencies, pupil transportation, education finance reform, forecast adjustments, early childhood education, prevention, self-sufficiency and lifelong learning.

#### HF3834-Carlson (DFL)

##### Finance

Minnesota Management & Budget commissioner required to provide a cash flow forecast to the governor and legislature.

#### HF3835-Knuth (DFL)

##### Transportation & Transit Policy & Oversight Division

Local regulation of trucks authorized on certain trunk highways.

#### HF3836-Dill (DFL)

##### Environment Policy & Oversight

Minnesota-Wisconsin Boundary Area Invasive Species Commission established.

### Monday, May 10

#### HF3837-Bunn (DFL)

##### Finance

Rehabilitative services and medical supplies and equipment coverage and payment rates modified.

### Tuesday, May 11

#### HF3838-Simon (DFL)

##### Commerce & Labor

Drug and alcohol testing provisions modified relating to professional athletes.

### Wednesday, May 12

#### HF3839-Loeffler (DFL)

##### State & Local Government Operations Reform, Technology & Elections

Unpaid leave job retention program created.

#### HF3840-Kohls (R)

##### Civil Justice

Limitation period reduced for bringing certain actions.

### Thursday, May 13

#### HF3841-Morrow (DFL)

##### State & Local Government Operations Reform, Technology & Elections

Gender equality provided under the law and constitutional amendment proposed.

#### HF3842-Hayden (DFL)

##### State & Local Government Operations Reform, Technology & Elections

Council on East African Minnesotans created and ombudsperson for East African Minnesotans created.

#### HF3843-Hayden (DFL)

##### Health Care & Human Services Policy & Oversight

Medical homes created for children with autism spectrum disorders.

#### HF3844-Sterner (DFL)

##### State & Local Government Operations Reform, Technology & Elections

Counties authorized to designate business days for public business subject to certain limitations.

#### HF3845-Simon (DFL)

##### Commerce & Labor

Contract renewals procedures specified for telecommunications services for business customers.

#### HF3846-Morgan (DFL)

##### Finance

Formula changed for assistance by the Metropolitan Council to cities and towns with replacement transit service.

#### HF3847-Hornstein (DFL)

##### Health Care & Human Services Policy & Oversight

Proposal established to provide grants to organizations providing care coordination services to Medical Assistance recipients with HIV or who are at risk of contracting HIV.

#### HF3848-Atkins (DFL)

##### Commerce & Labor

Wireless telecommunications service providers required to alert customers whose usage approaches or exceeds their contract limit.

#### HF3849-Gardner (DFL)

##### Environment Policy & Oversight

Powers, requirements and procedures established for residential water service by municipal utilities.



## K-12 education continued from page 15

Among them is a provision requiring annual teacher and principal evaluations, modified by an amendment successfully offered by Rep. Carlos Mariani (DFL-St. Paul). "I think Minnesotans would be quite surprised to know there are lots of teachers and lots of principals who are rarely evaluated," he said. The revised proposal combines support for teachers to improve their performance with more data-based "formative" evaluations.

The bill contains an alternative teacher licensure proposal targeted to mid-career changers, but another pathway the governor and many lawmakers favored is absent. It was unsuccessfully offered as an amendment by

Rep. Randy Demmer (R-Hayfield) based on a Mariani-sponsored bill (HF3093) that would allow a limited two-year license for candidates such as Teach for America members, who have a bachelor's degree and meet other criteria.

The amendment failed 68-65 after nearly two hours of passionate, bipartisan statements of support and opposition.

Mariani urged its passage, but said alternative teacher licensure isn't a "magic bullet" to close the achievement gap, although it is one piece of the solution.

"This proposal in no way disparages our traditional teachers," said Rep. Steve Gottwalt (R-St. Cloud). "This isn't an either-or; it is another tool in the chest."

Some members wanted the governor's reform platform, offered unsuccessfully as an amendment by Rep. Pat Garofalo (R-Farmington). It includes tiered licensure for teachers and principals, alternative licensure, a five-year teacher tenure renewal requirement and definitions of an "effective" and "highly effective" teacher based on student academic growth.

"Education is the thing that's going to drive our state as we move forward," said Rep. Carol McFarlane (R-White Bear Lake). "We had the opportunity to make some good policy decisions. Unfortunately, I don't think they were as strong as we hoped they would be."



## Environment continued from page 18

judgment to interpret it," Senate sponsor Sen. Ellen Anderson (DFL-St. Paul) said.

Another issue centered on whether to keep a \$6.8 million appropriation to acquire Reinvest in Minnesota conservation easements with outdoor heritage funds. The constitution requires the funds be used to supplement, rather than supplant, traditional sources of funding. However, the traditional source — \$25 million for RIM in the bonding bill — was line-item vetoed March 14 by Gov. Tim Pawlenty. Without the traditional funding, several legislators questioned the legality of the outdoor heritage funding for RIM.

"I have trouble with that," said Sen. Satveer Chaudhary (DFL-Fridley).

The appropriation remains in the omnibus bill. Murphy said it was a shame to leave matching federal dollars "on the table" due to the governor's veto.

A provision eliminated from the bill

brought one House member to tears.

Rep. Karla Bigham (DFL-Cottage Grove) said she was "angry" that a proposed moratorium on the expanded use of the 3M incinerator was removed from the bill. The Maplewood company has asked the Pollution Control Agency for permission to burn waste other than its own, such as unwanted pharmaceuticals, at its Cottage Grove plant. The company and the City of Cottage Grove have reached an agreement that 3M would pay for air monitoring if allowed to continue the permitting process. Bigham was angry that her constituents won't be allowed to voice their concerns on the record through a public comment process.

The law would also provide \$800,000 of supplemental money to add staff to the Public Utilities Commission and expand representation on the Metropolitan Area Water Supply Advisory Committee from seven counties to an 11-county area by adding gubernatorial appointees from Chisago,

Isanti, Sherburne and Wright counties.

Several energy-related provisions are in the bill. Two would tap into the Renewable Development Fund, which traditionally has been allocated through a competitive grant process. Xcel Energy pays into the fund annually based on the amount of nuclear waste it stores at its two power plants.

A \$21 million RDF appropriation would allow Xcel Energy customers to receive rebates on the installation of solar modules. Sponsored by Rep. Tom Rukavina (DFL-Virginia), the provision would require that only solar modules manufactured in Minnesota be used.

The other, sponsored by Rep. Karen Clark (DFL-Mpls), would allocate \$90,000 to study possible alternatives to the installation of a high-voltage transmission line along the Minneapolis Midtown Greenway. Contested evidentiary hearings for a certificate of need for the proposed transmission line would not be allowed prior to April 1, 2011.



## Omnibus HHS continued from page 19

On the House floor, where the bill passed 82-50, Republicans argued the legislation would actually increase spending using money the state doesn't have. Rep. Sarah Anderson (R-Plymouth) said the federal government has a poor track record of fulfilling its promises on transportation and special education funding. She's concerned a future Congress may renege on the health care funding or determine the money simply isn't available.

Legislators also disputed the extent of cuts in the bill, which some Republicans said are relatively small.

Under the bill, hospitals would sustain a nearly 2 percent rate cut in the out biennium. They, along with nursing facilities, would

see a delay in the rebasing of their Medicaid reimbursement rates. Specialist physicians would have their rates cut and spending would be reduced in areas including mental health services, chemical dependency treatment and children's protective services.

"At the end of those cuts are real people, people who are sick and they're elderly and they're disabled, and they're going to experience this," said Rep. Erin Murphy (DFL-St. Paul).

Rep. Jim Abeler (R-Anoka) said that while he sympathized with these groups, the bill makes only a dent in the total appropriations overseen by the House Health Care and Human Services Finance Division.

"This is a committee that spends a lot of money on some very worthy people with some

very important needs, but it is absolutely not broke," he said. "We are not down to the bone. We have not found the muscle."

Rep. Steve Gottwalt (R-St. Cloud) echoed similar sentiments about the bill.

"It is not cutting total spending. It is not cutting General Fund spending. It is adding people to public programs at a cost we can't afford," he said.

The budget bill does not include a controversial House amendment that would have eliminated tax breaks for corporations with operations overseas. It does appropriate funding for some State Operated Services facilities that were slated for closure and designates an advisory group to provide input on the division's future.



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MINORITY LEADER: KURT ZELLERS

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Year first Carnegie library funds promised, to Duluth .....	1899
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2008 operating expenses, Hennepin; McKinley .....	\$67,000,000; \$7,800
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— K. BERGGREN

Sources: "Public Libraries," March 22, 2010 report by the Office of the Legislative Auditor;  
Hennepin County Library; McKinley Public Library; Ramsey County Library.

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# SESSION WEEKLY

A NONPARTISAN PUBLICATION  
MINNESOTA HOUSE OF REPRESENTATIVES • PUBLIC INFORMATION SERVICES  
VOLUME 27, NUMBER 15 • JUNE 1, 2010

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SS1 - SS2



## SESSION WEEKLY

Session Weekly is a nonpartisan publication of Minnesota House of Representatives Public Information Services. During the 2009-2010 Legislative Session, each issue reports House action between Thursdays of each week, lists bill introductions and provides other information. No fee.

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

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



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**On the cover:** House Speaker Margaret Anderson Kelliher and House Majority Leader Tony Sertich, followed by Legislative Director to the Speaker Sean Rahn, make their way down the Capitol's west wing grand stairway to the governor's office May 16 to continue negotiations to balance the state's budget.

— Photo by: Tom Olmscheid



# Never a dull moment

Surprises, challenges mark unusual  
2010 legislative session

When the House and Senate came to order Feb. 4 for the 2010 legislative session, the state faced a \$1.2 billion budget deficit (later revised to \$994 million), and an unprecedented cash flow crisis. The economy was in a slump, unemployment was high, and funding for General Assistance Medical Care was set to expire, potentially leaving thousands without health care.

Promising a fix to all these problems, lawmakers hit the ground running. By late March, several key pieces of legislation were already in the bag, including a \$680 million bonding law, a package of tax incentives for businesses and a compromise plan to restore partial funding to GAMC. They also passed a bill that solved roughly one-third of the deficit through spending cuts.

By April, the Legislature appeared to be on track for an early finish. Then, officials received word that \$408 million in expected federal funding might not arrive in time for lawmakers to use it in the budget. Eight days later, the

Minnesota Supreme Court threw out the governor's \$2.7 billion in unallotments from 2009, turning the entire session on its head.

The sudden ballooning of the state's deficit in the final days of session nearly derailed four months of hard work, but a last-minute deal between legislative leaders and the governor was eventually reached. After gaveling the regular session sine die just before midnight May 16, minutes later at 12:01 a.m., on May 17, the state's first special session in three years was called to let the House and Senate pass one final budget-balancing bill.

The House and Senate will reconvene Jan. 4, 2011, when legislators will begin work on erasing a \$5.8 billion deficit projected in Fiscal Years 2012-13. In the meantime, an election will determine who controls the House and Senate as well as the governor's office next year. The winners have a lot of work ahead of them.

— N. BUSSE



# A done deal

Budget fix makes the best of bad times for the state

By KRIS BERGGREN, NICK BUSSE  
AND LAUREN RADOMSKI

**I**t took some late-night twisting and turning, but lawmakers concluded a tough legislative session May 16 and a short special session May 17 by successfully balancing the state's budget.

After a week of tense negotiations, legislative leaders announced shortly before midnight May 16 they had reached a deal with Gov. Tim Pawlenty. Under the agreement, they would erase the state's projected \$3 billion shortfall

mostly through spending cuts, but would soften the blow for schools and seniors and revamp certain health care spending.

In legislative terms, it's a classic compromise — nobody is very happy with it.

"We found where we needed to compromise and we got the job done," said House Majority Leader Tony Sertich (DFL-Chisholm). "We didn't agree with every solution in here, but that is the true definition of compromise."

House Minority Leader Kurt Zellers (R-Maple Grove) offered a similar assessment.

"It's not a perfect product, it's not a pretty product, but it is what it is," Zellers said.

The process was challenging enough to force lawmakers into overtime. The budget deal was announced literally minutes before the Legislature's deadline to pass bills. To let legislators finish their work, Pawlenty called a special session at 12:01 a.m. May 17.

Eleven hours later, the House and Senate passed SSHF1\*/SSSF1. Sponsored by Rep. Lyndon Carlson Sr. (DFL-Crystal) and Sen. Richard Cohen (DFL-St. Paul), the budget-balancing bill was signed by Pawlenty May 21.

In the brief floor debate on the bill, sleep-weary House members touted the benefits and lamented the faults of the legislation.



PHOTO BY TOM OLMSCHEID

After Senate Majority Leader Larry Pogemiller, *left*, and House Speaker Margaret Anderson Kelliher, *right*, outlined the budget balancing agreement with the governor, House Majority Leader Tony Sertich announced that the House would adjourn sine die shortly before midnight May 16 and reconvene at 12:01 a.m. May 17 in special session to pass a budget-balancing bill.





PHOTO BY TOM OLMSCHIED

**House Speaker Margaret Anderson Kelliher talks with House Minority Leader Kurt Zellers prior to the House taking up a budget-balancing bill during a one-day special session May 17.**

Supporters said the legislation balanced the state's budget while minimizing the harm done to vulnerable Minnesotans.

"In House File 1, we do have a balanced budget, and we are standing up for Minnesota families, the middle class, the sick and the elderly," Carlson said.

Many House members criticized the budget agreement for doing little to resolve the state's long-term structural imbalance. Rep. Paul Kohls (R-Victoria) noted the budget agreement left a gaping hole in the 2012-13 biennial budget. He said permanent spending reductions are needed to provide true fiscal stability.

"For those of you who will be here, you're going to have an even bigger challenge to deal with in the next biennium," Kohls said.

### A shift, cuts and ratification

The plan essentially ratifies the governor's controversial 2009 unallotments for the current biennium, including a \$1.8 billion delay in state payments to K-12 school districts. It does not make the unallotments

permanent, however, as the governor wanted. Also, the school payment shift will begin to be repaid in the next biennium — something that was not required under Pawlenty's unilateral cuts.

The agreement also includes a provision that will allow Pawlenty or the next governor to choose whether to have Minnesota opt in to an early expansion of Medicaid. DFL majority leaders in the House and Senate hope to take advantage of the program, which would cost the state \$188 million but would bring in an additional \$1.4 billion in federal funding. Pawlenty and legislative Republicans oppose it.

The budget compromise also cuts a variety of health and human services programs, and authorizes delayed sales and corporate tax refunds as a way to help manage the state's cash flow. It's not all bad news for health care programs, however: General Assistance Medical Care will also receive a \$10 million boost to help rural hospitals care for low-income adults.

At a May 17 press conference, Pawlenty said

he considers the compromise a success overall because it balances the budget without raising taxes.

"All in all, even though the process was challenging, the outcome from my perspective is a very good one," he said.

House members on both sides of the aisle repeated what became a familiar refrain in the 2010 session: that the state's leaders were "kicking the can down the road," leaving a huge fiscal problem for the next governor and the next Legislature to deal with.

"I, too, share a disappointment that I've heard bipartisanly that the can gets kicked down the road," Sertich said.

One week earlier, the House and Senate passed a DFL-backed budget bill that would have raised \$443 million in new tax revenues in addition to making \$2.5 billion in cuts. Democrats argued their proposed new income tax tier on the wealthiest Minnesotans would help reduce the deficit in the next biennium. Republicans opposed it, saying it would harm small business owners. Pawlenty vetoed the bill.

## Health and human services

Like other areas of the budget, some decisions on health and human services spending were left to future leaders.

The most prominent is an option to enroll more Minnesotans in the state's Medicaid program, which receives federal funding. Under the budget-balancing law, Pawlenty and his successor may choose to broaden Medicaid coverage to include certain adults making less than \$8,000 annually. Many of these people are already enrolled in state health care programs like GAMC and MinnesotaCare.

Rep. Thomas Huntley (DFL-Duluth), chairman of the House Health Care and Human Services Finance Division, called the proposal "a good deal for Minnesota taxpayers."

"This will allow us to capture certainly a bigger chunk of what we send to Washington," he said.

Minnesota would receive an estimated \$1.4 billion in federal funding over the next three years to help pay for the larger Medicaid program. Lawmakers would pay for a required state match with \$188 million from the General Fund, as well as money that otherwise would have gone to GAMC and MinnesotaCare.

Democrats like the idea because it would

move people from programs that are solely state-funded to one that receives federal dollars. The federal contribution will grow in 2014 as a result of the health care reform law.

Republicans peg the early Medicaid option as too expensive and too reliant on the federal government. Rep. Laura Brod (R-New Prague) compared it to taking out a zero-interest loan on an unaffordable home.

During negotiations, lawmakers removed controversial surcharges on hospitals and HMOs that would have been used to capture federal funding.

Nevertheless, Pawlenty has said he will not authorize Minnesota's participation in the early option. In the final days of the session, he indicated Republicans could support the use of federal money for existing state programs, a path some states are pursuing instead of early Medicaid enrollment.

The budget-balancing law also includes several provisions from the omnibus health and human services budget bill vetoed by the governor May 13. The law appropriates funding for some of the State Operated Services facilities that were slated for closure, including five dental clinics serving people with developmental disabilities. It also creates a task force that's charged with making

recommendations on how to improve State Operated Services programs in the future.

Another notable piece of the law: a \$10 million funding increase for hospitals serving GAMC patients. The money is available to hospitals that have chosen not to participate in a new GAMC care model, many of which are in Greater Minnesota. The additional funding will go into an "uncompensated care pool" that will reimburse hospitals for GAMC services through February 2011.

The law finds some savings by cutting or delaying state payments to health care providers. Nursing homes are largely spared, while payments to hospitals will be reduced beginning next summer. Certain non-primary care physicians will have their payment rates reduced starting in July and managed care plans will have a higher percentage of their payments withheld.

House members from both parties were generally supportive of the compromise during the May 17 special session. Others said it will do little to reduce health care spending in the long-term.

"I don't think it's the golden lining that you might think it is," said Rep. Jim Abeler (R-Anoka). "It's great politics. But it also would work to undo the nice reform we've had in the General Assistance Medical Care program."



PHOTO BY TOM OLMSCHIED

**Senate Minority Leader David Senjem, left, waits as Gov. Tim Pawlenty turns back to answer one more reporter's question May 16 after explaining his position on negotiations with the Legislature to balance the state's budget.**



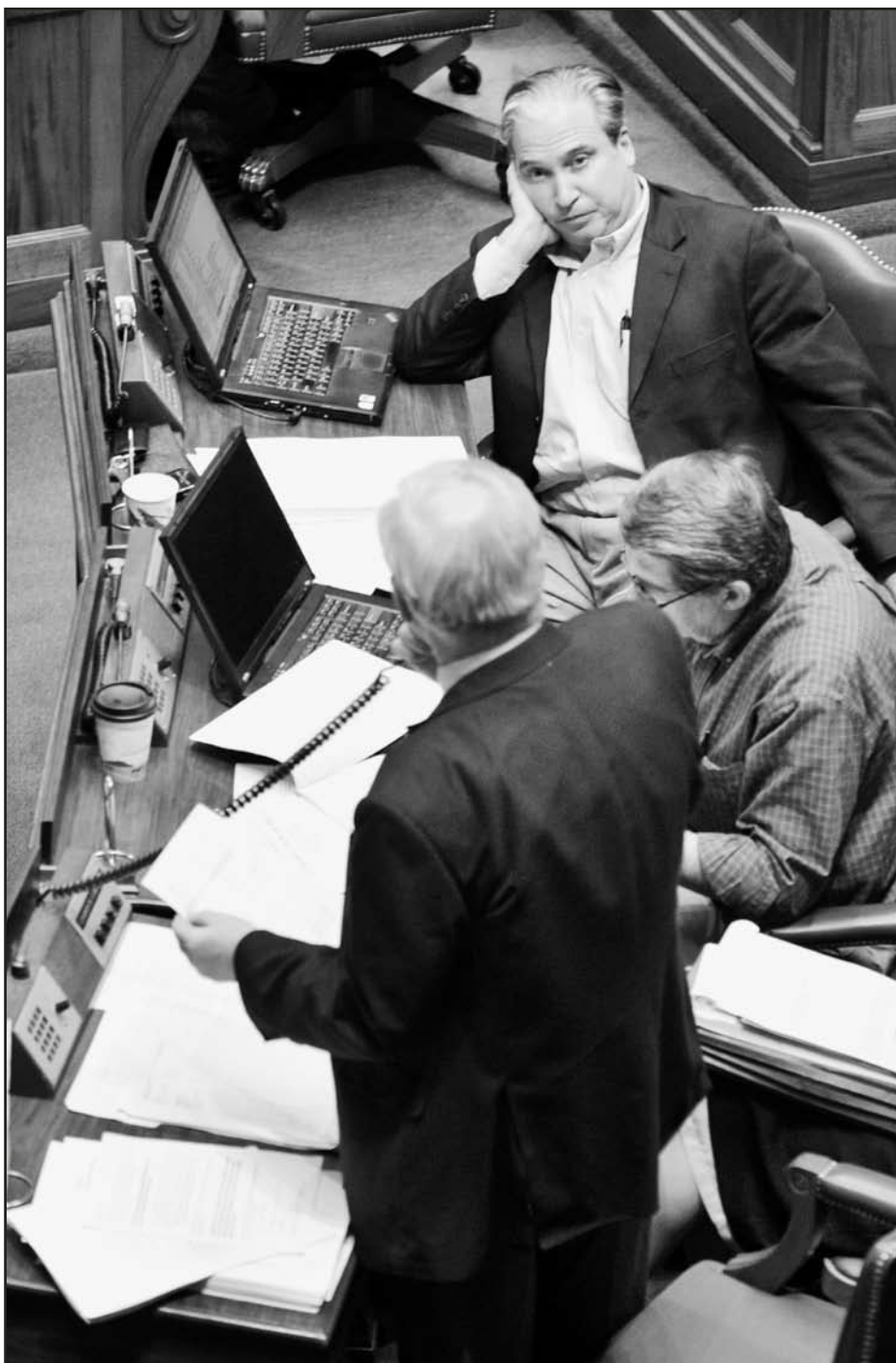


PHOTO BY TOM OLMSCHIED

**Rep. Michael Paymar listens and Rep. Jerry Newton reads the budget-balancing bill while Rep. Lyndon Carlson Sr., chairman of the House Finance Committee, presents the proposal to the House May 17.**

Abeler and others would prefer to work out the kinks in GAMC, as opposed to ending the program once enrollees were moved to Medicaid.

Legislative leaders and the governor chose not to make use of \$408 million the state is expecting to receive from the federal government for enhanced Medicaid match funding. Both the Legislature and the governor had included the money in their original budget plans; however, the legislation

authorizing the funds is currently stuck in Congress. Should the money eventually be appropriated, it will simply fall to the state's bottom line and cushion its cash flow account, under the agreement.

### **IOU, K-12**

The \$1.8 billion in school shifts includes delays of regularly scheduled state aid payments to districts and early recognition of June property tax receipts from counties

in lieu of receiving some late spring state aid payments, with an IOU to repay starting July 1, 2011.

The plan ratifies current year delayed state aid payments of 27 percent, raises the proportion to 30 percent in 2011, returning to a typical 90/10 percent schedule in 2012.

The state regularly issues a K-12 IOU. The practice usually works without much harm because the state uses cash flow accounting, while school districts use the accrual method, which allows them to record all allocated revenue even if the cash isn't received yet. But districts still need adequate cash flow to pay salaries, utilities and other bills, so the larger-than-usual shifts mean many districts will have to borrow money to make ends meet.


How shifts work: The state withholds a percentage of regularly scheduled payments to school districts for a given fiscal year, with repayment promised the following fiscal year. Typically, 90 percent of the total aid entitlement is paid out over the year in metered payments about twice a month. A "cleanup payment" of 10 percent is made the following fiscal year. The total is based on enrollment projections; the actual payment is adjusted depending on whether more or fewer students actually enrolled. Exceptions are made for certain districts in statutory operating debt.

The property tax early recognition mechanism was enacted in 1982, and has been in and out of statute since. Again, to help the state's cash flow, school districts are required to "borrow," or recognize early, a portion of June property tax receipts from the county instead of receiving the state aid payment, which is eventually repaid.

This year, the state borrowed even more heavily from districts with a certain level of cash reserves, because of a statute requiring them to do so if the state would otherwise have to borrow or issue short-term bonds to meet cash flow needs. The statute now allows but does not require the state to tap schools first.

The problem with the IOU lies with the projected deficit in the next biennium, which could be between \$4 billion and \$6 billion.

"Contrary to what's put in statute," said Rep. Pat Garofalo (R-Farmington), "regardless of who wins the (gubernatorial) election, they're not going to be able to pay them back until the economy gets better."

Shifts of 83/17 in 2003, 80/20 in 2004 and 84.3/15.7 in 2005 were repaid by the end of 2007, according to Tim Strom from the nonpartisan House Fiscal Analysis department. However, shifts made in the early 1980s were not fully repaid until 1998. 



**Editor's note:** The following are governor's actions on bills through May 27. Designations used in New Laws and Vetoes 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.

## AGRICULTURE

### Agriculture omnibus bill

Restrictions on those who can own easements for wind power, along with increased late filing fees for pesticide dealers and tree trimmer registry businesses are included in the omnibus agriculture, rural economies and veterans affairs finance law.

Sponsored by Rep. Al Juhnke (DFL-Willmar) and Sen. Dan Skogen (DFL-Hewitt), the law will:

- add a university extension agent, an official from the Animal and Plant Health Inspection Service of the U.S. Department of Agriculture, a peace officer from the county sheriff's office or a licensed veterinarian to those who are able to make a personal inspection of a farmer's livestock loss due to a gray wolf;
- require the Department of Agriculture to make it a goal to issue or deny environmental and resource management permits within 150 days;
- consider horses raised for riding, driving, farm or ranch work, competition, racing recreation, sale, or as breeding as livestock for the purposes of financial transactions and collateral;
- make it unlawful for someone to advertise tree care or tree trimming services without being registered;
- permit the agriculture commissioner to waive certain review fees for businesses that sell prepackaged foods, such as video stores;
- repeal the loan incentive program for Native Grasses and Wildflower Seed Production;
- allow nonprofit farms less than 40 acres in size, and those less than 160 acres prior to Aug. 1, 2010, to use profits for educational purposes and be exempt from corporate farm land requirements;
- add easements taken by individuals or businesses for the use of wind rights to restrictions on owning agricultural lands;
- permit cities and towns to charge fees and spend money for county extension work, such as 4-H programs;
- require certain conditions to be met before Minnesota will be granted a federal waiver in regards to Ethanol-15, including that all cars could use the ethanol mixture, and giving the Department of Commerce the ability to specify how long it could take gas stations to set up for the ability to deliver E-15;
- require banks to extend credit to feed mills for 45 days at the beginning of the mediation process, resulting in mills being paid for that feed;
- require the agriculture commissioner to identify and analyze industrial hemp laws in Canada and 30 other nations and report to law enforcement how to differentiate between industrial hemp and marijuana growing in fields;
- detail procedures on the proper way to fold and present the state flag; and
- permit the veterans affairs commissioner to determine a suitable site and plan for three new state veterans cemeteries in northeastern, southeastern and southwestern Minnesota.

The law has various effective dates.  
HF2678/ SF2737\*/CH333

— P. OSTBERG

## BONDING

### Funding technical changes made

A new bonding law spends nothing.

Sponsored by Rep. Alice Hausman (DFL-St. Paul) and Sen. Keith Langseth (DFL-Glyndon), the law makes only language changes to some existing appropriations.

Under the law, effective May 26, 2010:

- the date for which bond proceeds authorized in 2005 and 2006, respectively, can be used for the Blazing Star Trail and the Mesabi Trail are extended to June 30, 2014;
  - money appropriated in 2008 to construct a family center in Brooklyn Center can also be used for an attached parking facility;
  - in addition to predesign and design, Hennepin County Medical Center can use a 2008 appropriation to "construct, furnish, and equip" an outpatient clinic and health education facility;
  - a 2010 appropriation for an emergency vehicle operator's course at Camp Ripley may also be used for project predesign;
  - any money left over from a 2009 appropriation for a steam pipeline in Olmsted County can be used "to convert heating and cooling systems within existing Rochester Community and Technical College buildings from electrical energy to steam-derived energy"; and
  - the scope of a 2010 appropriation for a buildings project at the Minneapolis Veterans Home is clarified.
- HF3492\*/SF3222/CH399

— M. COOK

## Dear Readers:

This final issue of Session Weekly provides a wrap-up of all action during the last days of the 2010 session, as well as an opportunity to renew your Session Weekly subscription for the following two years.

At the end of every biennium, postal regulations require us to purge our mailing list and start over. In the center of this magazine, you will find a pullout containing information about renewing your complimentary Session Weekly subscription. Rather than returning the form to our office, you can renew your subscription online at [www.house.leg.state.mn.us/hinfo/subscribesw.asp#bmail](http://www.house.leg.state.mn.us/hinfo/subscribesw.asp#bmail) or by calling our office at

651-296-2146 or 800-657-3550.

The insert also contains a survey that we hope you will take time to complete, and information about an opportunity to help defray Session Weekly production costs through a voluntary donation.

Of course, legislative activity does not come to a standstill during the interim, and updates will be available through a number of resources:

- Session Daily, a nonpartisan electronic news source, will be updated as necessary during the interim at [www.house.mn/hinfo/sdaily.asp](http://www.house.mn/hinfo/sdaily.asp);

- follow us on Twitter at [twitter.com/MNHouseInfo](http://twitter.com/MNHouseInfo);
- House committee and legislative commission schedules will be updated at [www.house.mn/hinfo/hinfosched.asp](http://www.house.mn/hinfo/hinfosched.asp); and
- some meetings will be broadcast live on the Web. Information is available at [www.house.mn/hvtv/schedule.asp](http://www.house.mn/hvtv/schedule.asp).

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— Session Weekly staff

## LONG HAUL

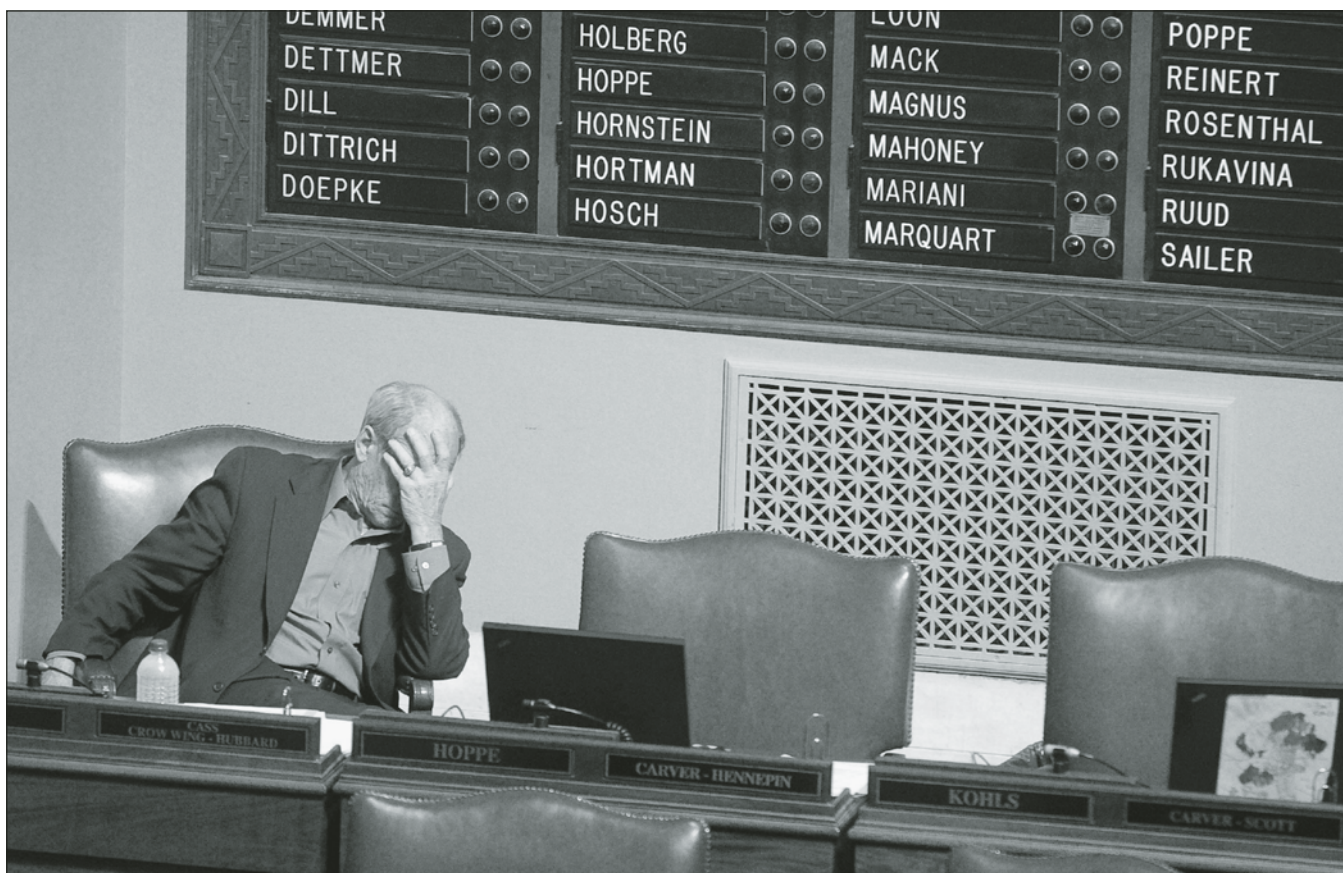


PHOTO BY ANDREW VONBANK

Rep. Larry Howes rests his eyes during a recess of an all-night floor session May 17.

## BUSINESS

### Protecting auto dealers

Preventing auto dealerships from being unfairly shut down by auto manufacturers is the goal of a new law.

Sponsored by Rep. Joe Atkins (DFL-Inver Grove Heights) and Sen. Linda Scheid (DFL-Brooklyn Park), the law is a response to conditions that led to the closure of some 60 car dealerships in Minnesota last year. Chrysler and General Motors terminated the dealers' franchise agreements after they went bankrupt. The companies were allowed to do so because their bankruptcy deals allowed them to bypass state franchise laws.

"Whether you care about the dealers themselves or the 3,600 employees that work there, this is a big deal," Atkins said.

Generally, the law will limit the type of requirements that manufacturers can place on dealers, and also add to the list of unfair practices manufacturers are prohibited from using. One provision will require manufacturers who terminate a dealer's franchise agreement and then open

a new dealership in the same area to give the previous dealer the opportunity to run the new dealership.

Rep. Greg Davids (R-Preston), expressing support for the bill, called the auto manufacturers' actions "unconscionable." Their decision to close down otherwise profitable dealerships cost many hard-working business owners their life's savings, he said.

The law is effective May 14, 2010  
HF2902/SF2663\*/CH339

— N. BUSSE

## CRIME

### State's forfeiture laws updated

A few rogue cops led the state to make a change to its forfeiture laws.

The law comes in the wake of the Metro Gang Strike Force problems, when issues raised in a pair of 2009 reports indicated that officers illegally took some property from people with no gang connections, but who were searched and interrogated anyway; poor recordkeeping; and officers or their family members were permitted to purchase items

from the evidence room at low prices.

Sponsored by Rep. Joe Mullery (DFL-Mpls) and Sen. Mee Moua (DFL-St. Paul), the law requires the Board of Peace Officer Standards & Training and Minnesota County Attorneys Association to develop policies for best practices in forfeiture law to promote uniform application across the state. A copy of the policies is due the Legislature by Dec. 1, 2010.

By March 1, 2011, "the chief law enforcement office of every state and local law enforcement agency and every prosecution office in the state shall adopt and implement a written policy on forfeiture that is identical or substantially similar to the model policies developed."

This section is effective July 1, 2010.

Other provisions in the law, each effective Aug. 1, 2010, include:

- an officer must give a forfeiture receipt when seizing property;
- the implementation of timelines for forfeiture notice and hearings;
- county attorneys can remit or mitigate the forfeiture if "the forfeiture was incurred without willful negligence or without any intention on the part of the petitioner to



violate the law,” or there are extenuating circumstances;

- a cap of \$50,000 is placed on the value of property that can be administratively forfeited;
- a contested controlled substance administrative forfeiture hearing must be held within 180 days of the claimant’s filing of the demand, unless a criminal proceeding is possible;
- law enforcement agencies cannot sell forfeited property to its employees or their family members; and
- before seized property can be forfeited administratively, a county attorney will need to review the file and ensure that everything has been done legally.

HF2610/SF2634\*/CH391

— M. Cook

### Keeping track of juvenile offenders

Minnesota is becoming part of an interstate operation for transferring youth who are part of the corrections system.

A new law, effective Aug. 1, 2010, adopts the revised Interstate Compact for Juveniles. As of April 2010, Minnesota was one of eight states yet to enact the compact.

According to Donna Bonner, chair of the Interstate Commission for Juveniles, “This important interstate agreement is the only legally authorized method available to the state to transfer juvenile delinquents and return of runaways across state lines so that they are properly placed into custody or care in the appropriate jurisdiction.” It is designed to help ensure the safety of the public and the juvenile.

Rep. Joe Mullery (DFL-Mpls), who sponsors the law with Sen. Mee Moua (DFL-St. Paul), said by not being part of the compact, at-risk juveniles could enter Minnesota without the knowledge of public safety officials.

The Department of Corrections will absorb compact costs within its existing budget.

Minnesota is already part of a similar compact for adults.

HF3131/SF2891\*/CH378

— M. Cook

### Clarifying pay to stay law

A new law clarifies the intent of legislation enacted in 2002.

Effective Aug. 1, 2010, all the time a person is in a county jail, workhouse or correctional or work farm, on any sentence is subject to the pay to stay law.

A sheriff is permitted to charge an inmate the cost of room, board, clothing and other correctional services; however, the state Supreme Court ruled in December 2009 that the pay to stay provision does not extend

to days spent in jail pre-conviction because statute used the term “offender,” rather than “person.”

The law also requires local corrections agencies to waive payment of the costs “if the officer or sheriff determines that person does not have the ability to pay the costs, payment of the costs would create undue hardship for the person or the person’s immediate family, the prospects for payment are poor, or there are extenuating circumstances justifying waiver of the costs.”

Some counties do not require inmates to pay for staying; rather they want the offender’s money to go toward other things like child support or restitution.

Rep. Dave Olin (DFL-Thief River Falls) and Sen. Pat Pariseau (R-Farmington) are the sponsors.

As a way to fill their jails, the law also allows a county or regional jail to enter into agreements to house offenders from other states. Extradition rules will not apply to those prisoners, and the sheriff or regional jail superintendent “has the express authority to return the offender to the offender’s state of origin upon request from the appropriate authority in the offender’s state of origin.” This comes from HF3410/SF2973, sponsored by Rep. Tim Kelly (R-Red Wing) and Sen. Steve Murphy (DFL-Red Wing). This section is effective May 14, 2010.

HF3038/SF2709\*/CH318

— M. Cook

## EDUCATION

### School’s payments accelerated

A charter school serving deaf and hard of hearing students will be spared from having to close for lack of cash flow.

Sponsored by Rep. Mindy Greiling (DFL-Roseville) and taken up by House and Senate on the last full day of the session after the rules were suspended, the law is effective May 26, 2010.

Metro Deaf School-Minnesota North Star Academy requested an acceleration of its cash flow payments from the state, which otherwise could be delayed because of the special education billing process.

Although unintentional, the consequences of a 2006 law affect the school more than any other in the state. The new law makes an exception to the normal requirement that the Education Department reimburse school districts and charter schools for special education services rendered rather than pay them forward.

The school, with 100 percent of its students qualifying for special education, does not have

a fund balance or cash reserve.

The accelerated payments to the charter school mean that special education reimbursement payments to other school districts and charters will be slightly reduced.

The law also appropriates \$16.9 million in fiscal year 2012 and \$19.18 million in fiscal year 2013 and beyond from the General Fund to the education commissioner for payment of debt service equalization aid.

HF3329\*/SFnone/CH395

— K. BERGGREN

### Office of early learning study

Gov. Tim Pawlenty signed an omnibus early childhood education law that includes authorization of a task force to study and makes recommendations about creating an Office of Early Learning.

The task force will consider objectives related to how state agencies and other providers deliver early childhood services and measure their impact, and how quality can be improved. If established, the office could streamline oversight of education and child care services now administered by three departments: education, health and human services.

The new law directs the State Advisory Council on Early Childhood Education and Care, sometimes referred to as the governor’s early childhood advisory council, to appoint the task force, which is to include representatives of state agencies serving young children, nonprofit organizers in the early childhood area, members of the council and representatives from the early childhood legislative caucus.

Sponsored by Rep. Nora Slawik (DFL-Maplewood) and Sen. Terri Bonoff (DFL-Minnetonka), the law also adds the commissioner of health or a designated representative to the council. Other members include state agency representatives, parents, Head Start and early childhood educators, representatives of school districts and higher education and legislators.

Already in statute is a goal that all eligible children will be ready for kindergarten by 2020. By March 1, 2011, the council will make recommendations on creating a statewide school readiness report card to monitor progress toward that goal.

Beginning in fiscal year 2012, the council will study and make recommendations on a plan to screen and assess 3 year olds and entering kindergarteners for school-readiness, and report to the Legislature by 2013. Screening children is meant to assess developmental characteristics that could indicate being on track for school-readiness



## EDUCATION MEETING



PHOTO BY TOM OLMSCHIED

**Rep. Robin Brown signs on as a sponsor of an omnibus K-12 education bill prior to the May 17 House special session. Rep. Karla Bigham, from bottom left, Rep. Bev Scalze, Rep. Brita Sailer, Rep. Mindy Greiling, Rep. Sandra Peterson and Rep. Denise Dittrich confer as members await their turn to become co-sponsors of the bill. The House failed to suspend the rules to hear the bill during the special session. The Senate passed an identical bill 66-0.**

or the need for interventions in the case of developmental delays.

Slawik said the law is backed by the commitment of private foundations and community funders to support most of its proposals.

It directs \$500,000 in federal funds to help child care providers receive training and improve the quality of their facilities in preparation for a statewide quality rating system. Providers may apply for grants through regional offices of the Child Care Resource and Referral Network.

HF2760/SF2505\*/CH346

— K. BERGGREN

## ELECTIONS

### Campaign finance reform

Gov. Tim Pawlenty signed administrative changes to laws governing the Campaign Finance and Public Disclosure Board.

Provisions in the law, sponsored by Rep. Steve Simon (DFL-St. Louis Park) and Sen. Ann Rest (DFL-New Hope), include: removing election laws that have since been ruled unconstitutional; no longer requiring necessary food utensils and supplies or an individual's personal use of an automobile owned by the individual and to be used while volunteering personal time to be reported as campaign expenditures; setting a value of \$5 or less on informational material given

to an official in connection to legislation; requiring lobbyists to provide an e-mail address and, if applicable, the website of any entity the lobbyist represents when registering; and setting contribution limits for judicial candidates.

The law allows a first-time candidate for judicial office to accept up to \$2,000 in an election year from any individual, political committee or political fund and up to \$500 in other years.

Secretary of state and state auditor candidates can accept up to \$1,000 in an election year and \$200 in others. Previously the amounts were \$500 and \$100, respectively.

Technical changes are made to how the board handles late filing fees by lobbyists. The law eliminates the sending of a certified letter before the \$100 late fee is imposed.

An eligible candidate for public subsidy payments who has not filed the report of receipts and expenditures will have their subsidy withheld until they have provided the information, withstanding the board having sufficient time to review or audit the report.

Under the law, certain financial reports by the two major state party political units will not be released until the reports of each party unit have been filed with the finance board.

The law has various effective dates.

HF1206/SF80\*/CH327

— P. OSTBERG

## Disclosure of political spending

In the wake of a U.S. Supreme Court ruling that will allow corporations to spend freely to advocate for or against political candidates, a new law will require better disclosure of political expenditures in Minnesota.

Sponsored by Rep. Ryan Winkler (DFL-Golden Valley) and Sen. Ann Rest (DFL-New Hope), the law is a response to the case of *Citizens United v. Federal Election Commission*. In January, the court ruled that independent expenditures — political spending by private entities — could not be limited, under the U.S. Constitution. Rather than attempting to limit independent political expenditures, the law would create disclosure requirements.

Expenditures of greater than \$100 by corporations or other associations must be made through independent expenditure political committees or funds, under the law. All such expenditures must be reported to the Campaign Finance and Public Disclosure Board. Those who violate the provision will be subject to a fine of four times the amount of the expenditure, up to a maximum of \$25,000.

Independent expenditures do not include direct spending on a candidate's political campaign, or any expenditures authorized by a candidate. Doing so would be a violation of the law.

Associations that make independent political expenditures from membership dues or fees must provide information on the association's members, including names, addresses and how much of the expenditure is attributable to each member of the association. This will only apply to associations that make expenditures of greater than \$5,000, and only when \$1,000 or more of that expenditure is from membership dues or fees. Again, a fine of up to \$25,000 or four times the amount of the expenditure applies for those who violate the provisions.

The law also includes a provision banning public utility companies from recovering political expenditure costs by charging their customers.

The provisions requiring corporations to make their political expenditures under the state's independent expenditure laws are effective May 28, 2010. Unless otherwise noted, the rest of the law takes effect June 1, 2010.

HF2754/SF2471\*/CH397

— N. BUSSE

### Voting equipment grants

Grants to counties for voting and vote-counting equipment are included in a new law.

Sponsored by Rep. Marsha Swails (DFL-

Woodbury) and Sen. Katie Sieben (DFL-Newport), the law updates the options for counties to replace voting equipment with assistive voting, vote-counting and optical scan equipment. This is effective May 28, 2010.

Two grants totaling \$2.4 million from the Help America Vote Act account are included in the law to help counties defray costs.

The law includes technical language for claiming interest or liens on lands and raises the filing fee from "15 cents for each folio" to \$50. This section is effective Aug. 1, 2010.

HF2755/SF2629\*/CH379

— P. OSTBERG

## ENERGY

### Lower emission deadline extended

Minnesota Power will have more time to reach its statutory goal of reducing its mercury emissions.

The Duluth-based utility will have until July 1, 2015, to file mercury emissions reduction plans for its Boswell 4 generating facility and until Dec. 31, 2018, to implement those plans. The extension is needed because the economic downturn, coupled with a pending rate increase request for capital investment dollars to install mercury reduction technology, have slowed the company's ability to comply with state law, according to Margaret Hodnik, Minnesota Power vice president of regulatory and legal affairs. Also, Minnesota Power would prefer to delay the completion of emission controls until pending federal regulations are known that could impact compliance standards, Hodnik said.

Sponsored by Rep. Bill Hilty (DFL-Finlayson) and Sen. Yvonne Prettnier Solon (DFL-Duluth), the law requires Minnesota Power to submit annual reports to the Legislature beginning July 1, 2011.

Reports must contain mercury control plans, including how the plan may affect the performance and cost-effectiveness of emission controls for pollutants other than mercury. Reports must also assess the impact of proposed federal laws regulating air pollution emitted by coal-fired power plants and how the utility plans to react to those laws, such as installing pollution control equipment, using pollution allowances to achieve regulatory compliance and retiring or repowering a plant with cleaner fuels. Impact on ratepayers must be analyzed and included in the report, as well.

The law is effective May 14, 2010.

HF3667/SF3080\*/CH325

— S. HEGARTY

### Utilities must report expenses

The Public Utilities Commission may not allow, as operating expenses, a public utility's travel, entertainment, and similar employee expenses that the commission deems are unreasonable and unnecessary for providing utility service.

To help the PUC determine an acceptable expense, a public utility filing a general rate case petition must include an itemized schedule of all travel and lodging, food and beverage, recreational, gifts and lobbying expenses requested by the commission.

Sponsored by Rep. Debra Hilstrom (DFL-Brooklyn Center) and Sen. Ellen Anderson (DFL-St. Paul), the law is aimed at protecting ratepayers by preventing excessive utility expenses. It is effective Aug. 1, 2010.

HF2798/SF2519\*/CH328

— S. HEGARTY

### C-BED wind projects modified

Community-based wind energy development laws are modified under a new law aimed at reducing ambiguity in the 2008 statute.

The goal is to create local green energy jobs and self-reliance to meet a community's energy needs, but too often the capital needed to construct a C-BED project isn't available locally.

Recognizing that a developer may have to include partners outside the "community-based" service area, the Office of Energy Security has a requirement that 51 percent of those who benefit from a C-BED project must come from the service area or be Minnesota-based companies. Effective May 18, 2010, the new law clarifies who those "beneficiaries" can be in order to meet the 51 percent threshold. Examples include landowners where the turbines will be located, Minnesota manufacturers and construction workers who build the project, and banks that may finance the wind energy development.

Also, the new law requires a developer to demonstrate to the Office of Energy Security how the 51 percent threshold is met prior to construction on a C-BED project.

Rep. Tim Kelly (R-Red Wing) and Rep. Steve Drazkowski (R-Mazeppa) said the modifications don't go far enough. In Goodhue County, two large wind projects are underway involving thousands of acres and hundreds of landowners who agreed to lease land for wind turbines. The project is being financed through a Texas-based company, according to Drazkowski.

Any current project moving through the Midwest Independent Transmission System Operator network or that has a letter from OES that they are going to qualify for C-BED status would be grandfathered in.



**See you in the Education  
Building at the State Fair  
Aug. 26 - Sept. 6**

"As we move forward with C-BED there are probably going to have to be further discussions in the next session to look at the C-BED statute, but I believe the changes we are making are good changes," said Rep. Andy Welti (DFL-Plainview), who sponsors the law with Sen. Yvonne Prettnier Solon (DFL-Duluth).

HF3641/SF3081\*/CH358

— S. HEGARTY

### Solar energy goals adjusted

Dairyland Power, which serves Southeast Minnesota, is given authority to count the electricity it plans to buy from a proposed solar power plant north of Rochester toward its required energy conservation improvement goals.

The solar plant proposed on a closed landfill in Olmsted County would be the Upper Midwest's largest solar farm. Dairyland Power plans to enter into a long-term power purchase agreement with Westwood Renewables, the project developer and manager.

The new law allows the Public Utilities Commission to use a different standard for Dairyland Power than for other energy conservation improvements if the commissioner deems it is in the public interest. The kilowatt hours of solar energy purchased by Dairyland Power may count for about a third of its savings goal as required by law.

The law, sponsored by Rep. Andy Welti (DFL-Plainview) and Sen. Dan Sparks (DFL-Austin), is effective May 20, 2010.

HF3429/SF3046\*/CH372

— S. HEGARTY

### Utilities may seek advance prudence

A utility may seek an advance determination of prudence from the Public Utilities Commission prior to making upgrades required to comply with state and federal air quality standards. In essence, the advance determination from the PUC tells lenders that the utility has the commission's blessing to proceed with the mandated upgrades.

"This prudence (goes) a long way towards



## ELVIS HAS LEFT THE BUILDING



PHOTO BY TOM OLMSCHIED

Elvis impersonator Todd Anderson leaves the Capitol May 19 after posing for photos in various locations and with building visitors. Anderson is running for lieutenant governor with gubernatorial candidate Ole Savor.

easing concerns and allowing them to get the loans necessary to make these upgrades,” said Rep. Kent Eken (DFL-Twin Valley), who sponsors the law with Sen. Dan Skogen (DFL-Hewitt).

Without it, utilities might be denied a loan or be required to pay a higher interest rate, leading to higher costs, resulting in higher rates to consumers.

Effective May 20, 2010, advance determination of prudence may be requested from the PUC until Dec. 31, 2015, for projects with an anticipated minimum cost of \$10 million. When petitioning for advance prudence, a utility must provide the PUC with a description of the project, an implementation schedule, a cost estimate and a description of the utility’s efforts to ensure the lowest reasonable costs. The utility may begin recovering the upgrade costs in the next approved rate case after the advance determination of prudence.

HF3640/SF3126\*/CH373

— S. HEGARTY

## ENVIRONMENT

### Conditional land use allowed

A zoning snafu in the city of Bayport is resolved by a new law that makes a former non-conforming real estate office into an approved conditional use along protected riverfront property.

When the city annexed a section of land within the Lower St. Croix River area in 1982,

there was a real estate property operating in the rural zone, even though such uses are prohibited under the federal Lower St. Croix Wild and Scenic River Act. Under this act, the Department of Natural Resources developed rules for standard lot size, setback from water and bluff lines, and regulated land uses. The DNR discovered that the Bayport ordinance was not in compliance with the federal act and state statute. Also, the non-conforming status could negatively affect the office’s property value should the realtor decide to sell the property.

To rectify the disparity, Rep. Julie Bunn (DFL-Lake Elmo) and Sen. Kathy Saltzman (DFL-Woodbury) sponsor a law that changes the rural status from non-conforming to a conditional land use if the property is similar in scope to the use that existed on May 1, 1974, and on Jan. 1, 2010.

The law, effective Aug. 1, 2010, also fixes a similar problem with property in Scandia, according to the DNR.

HF3152/SF2752\*/CH338

— S. HEGARTY

### LCCMR projects pass, except one

Environmental projects totaling approximately \$22.5 million will begin thanks to the appropriation of state lottery proceeds in a new law.

However, a proposed \$143,000 appropriation to the University of Minnesota for a life cycle analysis of available low carbon energy technologies was line-item vetoed again by Gov. Tim Pawlenty, even though the proposal

was reworked after he vetoed it last year.

“This project has a similar objective to the project vetoed last year and although the study focus has been amended, it remains vague and focused largely on existing research,” he wrote in his veto letter.

The remaining projects are the recommendations of the Legislative-Citizen Commission on Minnesota Resources. The Environment and Natural Resources Trust Fund account was approved by voters in 1988 and must be spent for the purpose of “protection, conservation, preservation and enhancement of the state’s air, water, land, fish, wildlife and other natural resources.”

Rep. Jean Wagenius (DFL-Mpls) and Sen. Ellen Anderson (DFL-St. Paul) sponsor the law, which will pay for several state park improvements, in addition to acquiring land purchased on behalf of the Department of Natural Resources.

The law also will provide for new scientific and natural areas; combating aquatic and terrestrial invasive species; and for renewable energy research, development and education projects, including several environmental learning centers.

A combination of projects to train teachers and educate students about the environment will also be funded, such as Project Get Outdoors operated by the DNR and Get Outside-Urban Woodland for Kids outdoor classroom at Como Regional Park in St. Paul.

The new law has various effective dates.

HF2624\*/SF2462/CH362

— S. HEGARTY

### Resolution seeks intl. approach

Lake of the Woods is a boundary between the U.S. and Canada, so at the request of the Lake of the Woods Water Sustainability Foundation, the Legislature is asking by resolution that the International Joint Commission take the lead in protecting and restoring water quality in the lake. The Pollution Control Agency has the lake on its list of impaired waters.

Previously, the commission monitored Rainy River water quality, a major tributary to Lake of the Woods. The commission also brought concerns about potentially deteriorating water quality in Lake of the Woods to the attention of the United States and Canadian governments and has recommended an investigation in cooperation with appropriate agencies, including those from Minnesota, Ontario and Manitoba.

Rep. Dave Olin (DFL-Thief River Falls) and Sen. LeRoy Stumpf (DFL-Plummer) sponsor the resolution.

HF353/SF445\*/R2

— S. HEGARTY



## FAMILY

### 'Ladder Out of Poverty'

A hand up — not a handout — is the goal of a new law that supporters hope will help fight poverty in Minnesota.

Effective May 20, 2010, it establishes a "Ladder Out of Poverty Task Force" to help Minnesotans who are struggling economically. The task force will make recommendations on policies that would increase Minnesotans' financial literacy, reduce predatory lending practices and encourage the accumulation of personal wealth.

Rep. Morrie Lanning (R-Moorhead) and Sen. Michael Jungbauer (R-East Bethel) sponsor the law, which will leverage the Family Assets for Independence in Minnesota program. FAIM helps Minnesotans gain financial self-sufficiency through education and matched savings incentive programs. It is run by local community action partnerships.

The idea for the task force stems from the key findings of the Legislative Commission to End Poverty in Minnesota by 2020's final report, which is available online. The commission, of which Lanning and Jungbauer were members, studied poverty in the state for more than a year and a half beginning in 2007.

The task force will comprise four senators, four House members, three Commerce Department appointees and the attorney general or their appointee. Task force members are directed to consult with a wide range of interests ranging from financial institutions to community groups in developing their recommendations.

Appointments and designations are to be completed by Aug. 15, 2010. The task force will sunset on June 1, 2012, and must provide its recommendations to the Legislature by that date.

HF2062/SF1770\*/CH374

— N. BUSSE

## HEALTH

### Rules on chemo co-pays

A new law has implications for people undergoing chemotherapy.

Sponsored by Rep. Patti Fritz (DFL-Faribault) and Sen. Linda Scheid (DFL-Brooklyn Park), the law prohibits health plan companies from charging higher co-pays or deductibles for oral chemotherapy drugs versus those that are injected or infused. Nothing in the law prohibits a company from "requiring prior authorization or imposing other appropriate utilization controls" in approving chemotherapy coverage.

Most of the law takes effect Aug. 1, 2010, and applies to health plans offered, issued, sold, renewed or continued on or after that date. A provision that prohibits companies from increasing co-pays for injected or infused drugs to comply with the law takes effect May 14, 2010.

HF1847/SF1761\*/CH326

— L. RADOMSKI

### Reporting substance abuse

Current law requires health care and social services professionals to report suspected alcohol or controlled substance abuse by pregnant women who they care for. Rep. Maria Ruud (DFL-Minnetonka) says sometimes that policy backfires.

She and Sen. Kathy Sheran (DFL-Mankato) sponsor a new law that will create an exemption from the reporting requirement. According to Ruud, a pregnant woman who uses drugs or alcohol may be less likely to obtain prenatal or other health care if she believes it will lead to action by law enforcement or a welfare agency. During committee testimony, some Minneapolis providers said they are aware of pregnant women in their area who have chosen not to seek prenatal care for this reason.

The new law will exempt health care and social services professionals from reporting alcohol and marijuana use as long as they are providing the woman prenatal care or other health care services. Prenatal care refers to comprehensive physical and psychological care received throughout the pregnancy.

The law takes effect Aug. 1, 2010.

HF3059/SF2695\*/CH348

— L. RADOMSKI

### Records oversight established

As part of the American Recovery and Reinvestment Act of 2009, Congress passed a law that offers Medicaid incentives to health care providers who demonstrate "meaningful use" of electronic health records. A new law positions Minnesota providers to take part.

Sponsored by Rep. Thomas Huntley (DFL-Duluth) and Sen. Tony Lourey (DFL-Kerrick), the law establishes state oversight of the organizations that facilitate the transfer of electronic medical records from one hospital or clinic to another. In essence, these organizations provide the technology infrastructure that allows patients' medical information to easily and securely follow them as they visit health professionals in different locations.

Under the law, "health data intermediaries" must be certified by the Department of Health, which is also charged with ongoing monitoring and compliance enforcement.

According to Huntley, nothing in the law changes Minnesota's health privacy standards, which he called among the strictest in the nation. Patients may already demand that their records not be shared with other providers, he said.

The law takes effect July 1, 2010.

HF3279/SF2974\*/CH336

— L. RADOMSKI

### Changes to MCHA

The Minnesota Comprehensive Health Association is a health care safety net that offers insurance to people who are otherwise unable to access coverage due to pre-existing conditions. Its policies will undergo a handful of changes under a new law.

Sponsored by Rep. Greg Davids (R-Preston) and Sen. Dan Sparks (DFL-Austin), the law removes a requirement that the association must hold a public meeting before filing a rate increase or benefit change with the Department of Commerce. Instead, a requirement to "provide notice and solicit public comment" on the proposed change may be satisfied through a meeting, written notice or electronic means. This provision is effective May 19, 2010, as is a language change related to people whose employers offer some health care coverage.

Effective Aug. 1, 2010, charges for out-of-state inpatient treatment for a mental or nervous disorder are not covered by MCHA, except when certain conditions are met.

HF3210/SF2879\*/CH363

— L. RADOMSKI

### Contracts between providers, plans

A new law modifying rules on contracts between health plan companies and providers also has implications for patients.

Sponsored by Rep. Erin Murphy (DFL-St. Paul) and Sen. Yvonne Prettner Solon (DFL-Duluth), the law specifies that health plan companies may not prohibit providers from collecting deductibles and co-insurance from patients at or prior to the time of service. It also prohibits providers from withholding services from a health plan enrollee based on failure to pay within the same timeframe.

The law also modifies language related to claims adjustment timelines and the termination of a contract between a company and a provider. One provision prohibits companies from communicating with enrollees about the possible termination of a contract before receiving final notice from a provider.

Most of the law takes effect Jan. 1, 2011, and applies to contracts entered into, renewed or amended on or after that date.

HF3042/SF2700\*/CH331

— L. RADOMSKI

## ROTUNDA RETREAT



PHOTO BY TOM OLMSCHIED

**Jerry Schoenfeld, a lobbyist for agricultural interests, talks on his phone May 14 in front of one of the French doors on the second floor of the Capitol as a visitor passes a third-floor window.**

## Provider grouping modified

Provider peer grouping is an initiative under the 2008 health care reform law that's intended to promote quality and transparency in the health care market. Under development by the Department of Health, the system will use a combined measure of risk-adjusted cost and quality to compare health care providers to each other.

A new law makes changes to the statute on provider peer grouping. Sponsored by Rep. Kim Norton (DFL-Rochester) and Sen. Tony Lourey (DFL-Kerrick), the law changes the deadline for when the department must give providers data on their facilities' total cost of care, resource use, quality of care and care results. By next year, providers must receive similar data related to care of patients with specific conditions.

Among other provisions, the law changes the timeframe for when Minnesota Management & Budget must use the data to establish a system that rewards high-quality, low-cost providers.

The law takes effect July 1, 2010.

HF3056\*/SF2815/CH344

— L. RADOMSKI

## HIGHER EDUCATION

### Higher education policy changes

A cash cushion for the state's largest student financial aid program, a pilot project for depositing cash into local banks, and easier credit transfers are among provisions of a new law.

Sponsored by Rep. Tom Rukavina (DFL-Virginia) and Sen. Sandy Pappas (DFL-St. Paul), the law comprises a variety of mostly small changes to higher education policies. Unless otherwise noted, it takes effect Aug. 1, 2010.

The law will allow the Office of Higher Education to hold back 5 percent of state grant funds to manage uncertainty in the level of demand based on possible enrollment or income changes among applicants. Student demand for state grant money has greatly exceeded available funds in the last year, and the office asked for the language to help avoid running out of money.

After grant awards are made for fiscal year 2011, the remaining funds will be distributed to increase the living and miscellaneous expense allowance for students, under the provision.

The law will also establish a pilot project whereby MnSCU schools can choose to deposit some of their cash reserves in small, local community banks. The goal of the project is to facilitate increased small-business



lending by moving some of MnSCU's money out of large financial institutions and into local banks. Up to eight colleges and universities may be selected for the project, if they apply.

Another provision directs MnSCU to improve its credit transfer system to make it easier for students to carry credits with them from one institution to another.

Other selected changes in the law include:

- changing MnSCU's stated base funding level for the 2012-2013 biennium to line up with the official forecast;
- authorizing a surgical technologist training and employment pilot project and report to the Legislature;
- directing MnSCU's central office to streamline its services and expenditures where possible;
- a study on possible changes to technical education programs that could put students to work quicker;
- requiring MnSCU schools to make a "reasonable attempt" to identify and purchase Minnesota foods;
- requiring the University of Minnesota to study ethical issues involved in nanotechnology research; and
- directing the university's area health education centers to conduct public education on the potential impacts of federal health care reform.

HF871/SF184\*/CH364

— N. BUSSE

### Liquor for Gophers fans?

Alcoholic beverages would be available, with restrictions, at University of Minnesota sports events — if the university agrees.

Effective May 26, 2010, a new law will give the university greater discretion to sell alcoholic beverages at its sports arenas, including the TCF Bank Stadium. It states that alcoholic beverages may be sold in premium seating areas as long as they are also sold in at least one-third of the general seating areas too.

The law is meant to resolve an ongoing dispute between the university's administration and the Legislature. The university wants to allow liquor sales only in the club seats of its facilities and argues other Big Ten schools have the same policy. Some lawmakers consider this "elitist," and last year the House voted overwhelmingly to require the university to either sell liquor in all seating areas or not at all.

In response, the university doesn't sell liquor at the stadium or Mariucci and Williams arenas, and claims that as a result, it has lost more than \$1 million in revenue. Sponsored by Rep. Joe Atkins (DFL-Inver Grove Heights) and Sen. Linda Scheid (DFL-Brooklyn Park), the new law is intended to, in Atkins' words, "extend an olive branch" to the university in

an attempt to find common ground on the issue.

The law gives the university's Board of Regents discretion on how to achieve the one-third requirement for the general seating areas. At least 75 percent of the revenue generated from liquor sales would go to student scholarships, under the provisions.

The law also provides for technical changes affecting the Department of Commerce's market assurance and consumer protection activities. Many of the provisions merely conform to changes made in other laws; others include eliminating redundancies in statutes. Atkins added the language on university liquor sales as an amendment on the House floor.

A separate provision, also added as an amendment by Rep. Jenifer Loon (R-Eden Prairie) on the House floor, will allow health plans to offer flexible benefits to individuals and small businesses with up to 100 employees. Currently, only businesses with up to 50 employees are allowed to offer flexible benefits. The change is effective Jan. 1, 2012.

HF2942/SF2839\*/CH384

— N. BUSSE

## HOUSING

### Getting the lead out

State laws will conform to new federal rules designed to keep Minnesotans safe from the hazards of lead-based paint in old homes.

Sponsored by Rep. Karen Clark (DFL-Mpls) and Sen. Ken Kelash (DFL-Mpls), a new law will incorporate the new Environmental Protection Agency rules into the state's building code and contractor licensing requirements. It takes effect Feb. 1, 2011.

The EPA adopted rules requiring contractors who work on homes built prior to 1978 to receive special training on how to keep themselves and the homeowners safe from dust particles of lead-based paint. The law will require contractors to be certified in lead safety procedures, and also require that cities issuing permits for work on pre-1978 homes verify that contractors are certified.

Clark said the goal of the law is partially to raise awareness of the new federal rule, which went into effect April 22, 2010, and encourage contractors to complete the required training. The law does not add any additional requirements above and beyond what is already in the EPA rule.

HF3292/SF3128\*/CH321

— N. BUSSE

### Solving home warranty disputes

Saving homeowners from a legal and financial nightmare is the goal of a new law dealing with home warranty disputes.

Sponsored by Rep. Marsha Swails (DFL-Woodbury) and Sen. Kathy Saltzman (DFL-Woodbury), the new law is designed to help homeowners avoid costly court battles with builders and home improvement contractors. It takes effect Jan. 1, 2011.

Under Minnesota law, homeowners have the right to make builders or contractors repair major damage that occurs in their homes as a result of faulty workmanship performed within the last 10 years. When a builder or contractor denies fault, homeowners often sue, and the resulting lawsuits can drag out for years and cost both sides tens of thousands of dollars in legal fees.

To help avoid such predicaments, the new law will establish a dispute resolution process through the Department of Labor and Industry. Under the provisions, the department will maintain a list of qualified "neutrals" who can evaluate home warranty claims. Homeowners and builders will have the opportunity to have their cases evaluated by the neutral party before a lawsuit could be filed.

The neutral party would issue a nonbinding decision that could not be used as evidence in a court case. The goal is simply to give both parties a better idea of the real cost of the damages involved and the likely outcome of a lawsuit. Supporters say the measure will have the effect of eliminating cases where one side is obviously being unreasonable.

The law also states that another, alternative dispute resolution process can be used to process claims, if both sides agree to it. In addition, it clarifies a builder or contractor's rights and obligations to inspect building defects and offer to make the necessary repairs.

HF3386\*/SF2832/CH343

— N. BUSSE

### Mortgage, foreclosure updates

A new law changes provisions relating to the fallout of the foreclosure crisis.

Sponsored by Rep. Debra Hilstrom (DFL-Brooklyn Center) and Sen. Linda Scheid (DFL-Brooklyn Park), it includes clarifying notification to persons when their property has been foreclosed.

Under the law, effective Aug. 1, 2010, a person attempting to acquire title to the mortgagor's property following the sheriff's sale and prior to the end of the redemption period, must provide to the mortgagor, by personal delivery three days prior to entering into an agreement to acquire title, notice of

If you have Internet access, visit the Legislature's  
Web page at: [www.leg.mn](http://www.leg.mn)



## GOVERNOR'S PRESS CONFERENCE

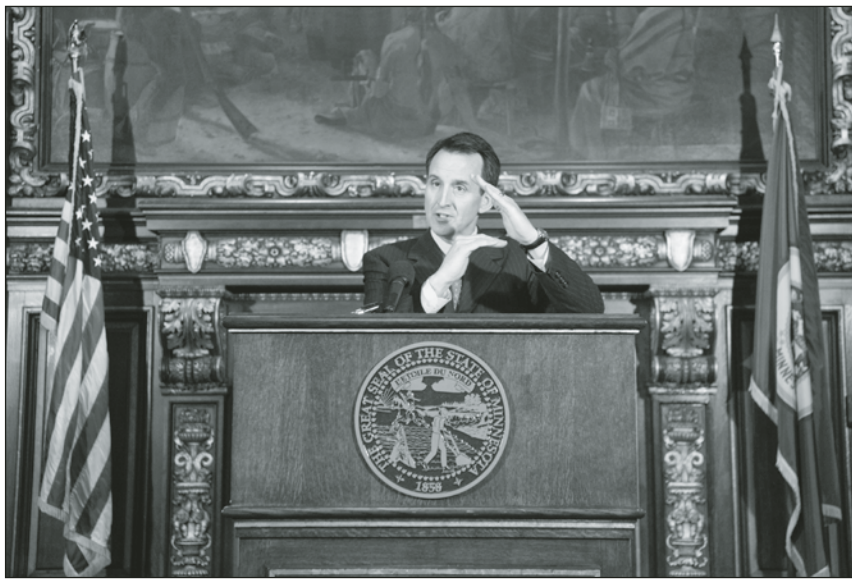


PHOTO BY TOM OLMSCHIED

During a May 17 press conference after the Legislature adjourned sine die, Gov. Tim Pawlenty tells reporters that state spending cannot continue to increase when state revenues do not.

the foreclosure results, including the sale date, identity of the purchaser and the sheriff's sale price. The information will also spell out things a mortgagee must know once their house has been auctioned, including how many months the mortgagor has to pay the winning bidder the sale price plus interest and costs to keep their home. It also spells out that the price may be less than the amount owed prior to the sheriff's sale.

It also tries to address an emerging equity stripping scam where people observe the bidding process at a sale and see that there is a low bid and a potentially high profit to be made. They then seek to acquire title from the homeowner before the homeowner knows the redemption price. Some homeowners have turned over their title for as little as \$200 for a quick-claim deed only to later find they had the ability to get the needed money for the redemption price some other way.

Other provisions include:

- clarifying that before a lender accepts a reverse mortgage application or assesses any fees, the lender must refer the borrower to an independent housing counseling agency for reverse mortgage counseling and receive proof the applicant has received counseling;
- a borrower shall not be bound for seven days after acceptance of the lender's written commitment to make a reverse mortgage loan and cannot be required to close or proceed with the loan during that time; and

- no lender, mortgage broker or residential mortgage originator can require the purchase of an annuity, investment life insurance or long-term care insurance product to obtain a reverse mortgage loan.

The law is supported by the banking and realty industries.

HF2699/SF2430\*/CH375

— M. COOK

### New rules for roofers

A growing number of roofing contractors are trying to convince homeowners to replace roofs that don't necessarily need replacement. Critics say their aggressive marketing tactics are driving up insurance costs, and a new law is designed to stop them.

Sponsored by Rep. Phil Sterner (DFL-Rosemount) and Sen. Kathy Saltzman (DFL-Woodbury), the law prohibits a residential roofer from advertising to consumers that they will pay part or all of a homeowner's insurance deductible in a roofing claim. Roofers who violate the provision can be sued for damages by either the homeowner or their insurer.

The law also states that homeowners have the right to cancel a contract with a roofer within 72 hours of being notified that their insurance claim has been denied. Roofing contractors must provide consumers with written notification of their right to cancel a contract, and must refund any payments to the homeowner within 10 days of cancellation.

Contractors are entitled to any payments for performing emergency services, however.

The law takes effect Aug. 1, 2010.

HF2060/SF1886\*/CH324

— N. BUSSE

## HUMAN SERVICES

### Apology resolution for commitment

A resolution apologizes to Minnesotans with mental illness, developmental and other disabilities who were "wrongly committed" to state hospitals.

Sponsored by Rep. Karen Clark (DFL-Mpls) and Sen. John Marty (DFL-Roseville), the resolution acknowledges the thousands of people who were moved from their communities to state institutions beginning in the late-1800s. According to the resolution, some people were subjected to medical experiments and procedures without their consent, and lived in institutions for their entire lives before being buried in unmarked graves. In some cases, they were portrayed by members of the public as "subhuman organisms, as deviant individuals to be feared by society."

The resolution says that while institutionalization was once considered to be acceptable, the state recognizes it was wrong and commits to helping people with disabilities in the "least restrictive manner" in the future.

HF1680\*/SF1135/R4

— L. RADOMSKI

### Pilot projects authorized

A new law is aimed at reforming the way the state provides chemical dependency treatment.

Sponsored by Rep. Tina Liebling (DFL-Rochester) and Sen. Julie Rosen (R-Fairmont), the law authorizes the Department of Human Services to implement pilot projects intended to improve the delivery of chemical health services. The department may enter into agreements to execute the projects as soon as July. The law takes effect July 1, 2010.

The law specifies that the pilot projects must fall within the department's forecasted expenditures. Any savings must go into a separate account for use toward future projects. Participating counties are responsible for any excess costs.

DHS officials are charged with evaluating the projects and issuing a report to the Legislature by January 2013.

The law's language is also included in SSHF1\*/SSSF1, the budget-balancing law.

HF3246/SF2937\*/CH376

— L. RADOMSKI

### Changes to continuing care

Policy and technical changes to continuing care are included in a new law.

Sponsored by Rep. Larry Hosch (DFL-St. Joseph) and Sen. Tony Lourey (DFL-Kerrick), the law includes the following provisions:

- adds to the list of criteria used to determine Medical Assistance payment for long-term care services;
  - establishes criteria for a relative to provide licensed supported living services to a loved one and allows Medicaid reimbursement under certain conditions;
  - specifies the responsibilities of home care services providers when they decide to discontinue services to someone;
  - sets criteria for a personal care assistant who wishes to enroll with a different provider agency;
  - modifies requirements for reporting alleged or suspected maltreatment of vulnerable adults;
  - allows seniors with a certain home care rating to be eligible for the elderly waiver program;
  - makes an exception to a limitation on personal care services for children on Medical Assistance; and
  - modifies requirements on how personal care assistants are trained and evaluated.
- The law has various effective dates.  
HF3234/SF2933\*/CH352

— L. RADOMSKI

### DHS licensing modified

Policies on licensing and fair hearings under the Department of Human Services are modified in a new law.

Sponsored by Rep. Jim Abeler (R-Anoka) and Sen. Tony Lourey (DFL-Kerrick), the law makes the following selected changes:

- adds to the exemptions from the nursing home moratorium to allow the construction of a new facility in Goodhue County that will consolidate and relocate beds from existing facilities;
- allows DHS to sell all or part of the property at the Brainerd Regional Human Services Center to an American Indian tribe;
- allows Medicaid reimbursement for the provision of supported living services when certain conditions are met;
- requires DHS and the Department of Commerce to prepare an annual report to the governor and legislative leaders on the calls to their consumer help lines;
- directs licensed child care centers to develop risk reduction plans that assess the general risks to children in their facilities;
- modifies rules for how a facility may continue to operate when the suspension or revocation of its license is under appeal; and

- establishes criteria for a relative to provide licensed supported living services to a loved one.

The law has various effective dates.  
HF3239/SF2935\*/CH329

— L. RADOMSKI

### Funding nursing homes

The information used by the Department of Human Services to determine payments to nursing facilities will be modified under a new law.

Under the law, when DHS is making statistical comparisons of nursing facility payment rates to determine future adjustments, it must exclude adjustments for raw food costs related to residents with special diets based on religious beliefs.

Sponsored by Rep. Steve Simon (DFL-St. Louis Park) and Sen. Richard Cohen (DFL-St. Paul), the law takes effect July 1, 2010.  
HF2859\*/SF2567/CH394

— L. RADOMSKI

### Civil commitment confusion clarified

Eliminating confusion in the civil commitment statute is the goal of a new law.

Sponsored by Rep. Debra Hilstrom (DFL-Brooklyn Center) and Sen. Don Betzold (DFL-Fridley), the law clarifies which county is primarily responsible for the pre-petition screening and is to bring forth the commitment petition. It is not intended to change existing practice; rather, it aims to clarify so that the courts and the county attorneys are all on the same page.

Furthermore, the county of financial responsibility is primarily responsible for completing the pre-petition screening and filing the commitment petition. The county where the patient is presently located could do the petition as a last resort.

A definition is also provided for “county of financial responsibility,” to reference a person’s county of residence for purposes of establishing the proper venue in a civil commitment hearing.

The law takes effect Aug. 1, 2010.  
HF2612\*/SF2186/CH357

— M. COOK

### Changes for nursing homes, schools

A new law will affect how some nursing home payment rates are established, while also modifying the state’s K-12 physical education standards.

Sponsored by Rep. Paul Thissen (DFL-Mpls) and Sen. John Doll (DFL-Burnsville), the law will allow publicly owned nursing facilities to apply for a higher payment rate from the state if the local government entity agrees to pay a higher share of

nonfederal Medical Assistance costs.

The bill will also make the following changes to physical education policies:

- designate health and physical education as two different subject areas;
- ask school districts to post their wellness policies on their websites;
- encourage the Department of Education to develop guidelines that promote “quality recess practices,” as well as a physical education course catalogue;
- require the department to adopt the most recent standards developed by the National Association for Sport and Physical Education; and
- establish a “Healthy Kids Awards” program to reward schools that encourage students to be physically active and make healthy food choices.

HF3055/SF2908\*/CH396

— L. RADOMSKI

## INDUSTRY

### Body art licensure

Body art technicians and the places where they work will need to be licensed by the Department of Health beginning next year.

A new law sets licensing standards for tattoo artists and body piercers, as well as body art establishments. It also specifies health and safety rules for sites, equipment and procedures, including requiring the use of single-use needles and ink. The law sets grounds for granting temporary licensure, denying licensure and conducting an emergency closure of an establishment.

In a change from current law, no tattoos may be provided to people under age 18, regardless of parental consent. Most piercings are allowed.

Sponsored by Rep. Julie Bunn (DFL-Lake Elmo) and Sen. Yvonne Prettner Solon (DFL-Duluth), the law does not supersede municipal policies that meet or exceed the law’s standards. It takes effect July 1, 2010.

HF677/SF525\*/CH317

— L. RADOMSKI

### Revoking health-related licenses

Chiropractors convicted of criminal sexual conduct will lose their licenses under a new law.

The law also prohibits the state Board of Chiropractic Examiners from granting or renewing a license for anyone convicted of criminal sexual conduct after Aug. 1, 2010. However, the board may establish criteria for someone who has been convicted to become licensed, including requiring that at least 10 years have passed since the person was



released from incarceration or supervisory jurisdiction. Someone whose victim was a client or patient is ineligible.

Sponsored by Rep. Gail Kulick Jackson (DFL-Milaca) and Sen. Sharon Erickson Ropes (DFL-Winona), the law requires the Council of Health Boards to review the chiropractic provision and report to the Legislature on how a similar law would impact other health-related licensing boards. This section is effective May 16, while the chiropractic-specific sections are effective for new licenses issued on or after Aug. 1, 2010.

HF3634/SF3147\*/CH349

— L. RADOMSKI

### Contractor continuing education

Continuing education requirements for residential building contractors are modified by a new law.

Sponsored by Rep. Mike Nelson (DFL-Brooklyn Park) and Sen. David Tomassoni (DFL-Chisholm), the law represents an attempt by the Department of Labor and Industry to make course standards more transparent. Provisions include:

- setting clear standards for course content;
- allowing contractors to fulfill education requirements through approved online courses; and
- raising fees for approval and renewal of courses.

The law takes effect Aug. 1, 2010.

HF3360/SF2944\*/CH260

— N. BUSSE

## INSURANCE

### Small-employer health insurance

A state-level working group will explore the possibility of increasing the employee cap on the small-employer health insurance market from 50 to 100 employees.

Sponsored by Rep. Diane Loeffler (DFL-Mpls) and Sen. Linda Scheid (DFL-Brooklyn Park), a new law establishes the working group under the Department of Commerce. The group will study and analyze the implications of expanding the small-employer market to 100 employees, and report on the options available “to increase rate predictability and stability.”

The 20-member group will include lawmakers, representatives of business and insurance lobbying groups, and representatives of small businesses. Among the topics to be addressed in the report, which is to be submitted to the Legislative Commission on Health Care Access, include:

- cost for employers, employees, brokers and health plans;

## PEACE OFFICERS REMEMBERED



PHOTO BY ANDREW VONBANK

**Members of Minnesota law enforcement stand watch May 15 at the Peace Officers Memorial on the Capitol grounds during the annual Standing of the Memorial Guard.**

- underwriting concerns and rating requirements; and
- creating a uniform application form.

As originally drafted, the language would have actually increased the size of the small-group health insurance market from 50 to 100 employees. The conference committee removed the provision, opting to include only the study.

The law takes effect Aug. 1, 2010, and the

working group is to disband by June 30, 2011.

HF2163/SF1905\*/CH370

— N. BUSSE

### No federal insurance regulation

The Minnesota House and Senate have a message for Congress: leave the business of regulating insurance to the states.



On May 15, the House and Senate passed a resolution memorializing Congress to oppose legislation that would create a national insurance charter. The resolution, passed 94-0 in the House and 65-0 in the Senate, argues that states are better regulators than the federal government.

As an example, it cites the failure of federal regulators to prevent the collapse of American International Group. While the part of AIG regulated by the federal government eventually had to be bailed out, the resolution notes, none of AIG's 170 state-regulated insurance subsidiaries failed.

The text of the resolution further argues that setting up a national insurance regulating entity could lead to weaker regulations and could compromise consumer protections.

Rep. Joe Atkins (DFL-Inver Grove Heights), who sponsors the resolution with Sen. Linda Scheid (DFL-Brooklyn Park), said many industry groups have "expressed disinterest" in having the federal government regulate insurance.

"What is going on right now in Washington, D.C. is they want to take over regulation of the insurance law," Atkins said, adding that the resolution has broad support from state legislatures and insurance regulators.

Some House members chose not to vote on the resolution. In general, some members view resolutions as being pointless or ineffective.

Among those not voting was Rep. Mark Buesgens (R-Jordan), who said he agreed with the underlying message of the resolution, but he doubted whether it would have an impact.

HF2112/SF1778\*/R3

— N. BUSSE

### Miscellaneous insurance changes

Several technical changes to the state's insurance statutes are made by a new law.

Sponsored by Rep. Joe Atkins (DFL-Inver Grove Heights) and Sen. Dan Sparks (DFL-Austin), the law addresses a miscellany of policy issues with regard to several areas of insurance law. Unless otherwise noted, its provisions take effect Aug. 1, 2010.

Effective April 27, 2010, the law modifies the Insurers Rehabilitation and Liquidation Act by clarifying rights and obligations with regard to parties involved in a netting agreement or qualified financial contract. Also effective on that date, it spells out requirements for group life insurance for groups other than ones already defined in statute.

The law also modifies the Minnesota Life and Health Insurance Guaranty Association Act in several ways, including limitations of benefits and notice requirements.

The law also includes a number of provisions dealing with fraternal benefit societies. It

establishes requirements for risk-based capital reports submitted to the Commerce Department, and spells out the department's duties in cases where corrective measures are required.

HF3146/SF2825\*/CH275

— N. BUSSE

## LAW

### Probate trust law changes

Certain provisions of probate and trust law are the crux of a new law.

Effective Aug. 1, 2010, unless otherwise noted, the law clarifies the inheritance rights when a person dies without a will. It provides that a parent is barred from inheriting from or through a child of the parent if the parent's parental rights were terminated and the parent-child relationship was not judicially reestablished. The same holds true if the child died before age 18 and there is "clear and convincing evidence" before the death that parental rights could have been terminated immediately before the child's death for nonsupport, abandonment, abuse, neglect or other action or inaction.

Other clarifying provisions in the law include:

- a parent's marital status does not affect the parent-child relationship for purposes of succession;
- a parent-child relationship exists between an adopted child and the adopting parents for purposes of intestate succession;
- a person in the process of being adopted by a married couple when one of the spouses dies is treated as adopted by the deceased spouse if the adoption is subsequently granted to the surviving spouse;
- unless otherwise decreed, a parent-child relationship does not exist between an adoptee and the adoptee's genetic parents;
- a parent-child relationship does not exist between a child of assisted reproduction and a third-party donor; and
- standards are provided for the appointment of an emergency and temporary conservator. This section is effective May 14, 2010. Similar standards currently

exist for appointment of an emergency guardian.

The law does not affect state law regarding gestational agreements; nor does it affect the doctrine of equitable adoption.

Brought by the Uniform Laws Commission via the Minnesota State Bar Association, the law also makes clarifying comments about how wills and trusts will be interpreted now that certain tax provisions have expired.

Rep. Melissa Hortman (DFL-Brooklyn Park) and Sen. Don Betzold (DFL-Fridley) sponsor the law.

HF2825/SF2427\*/CH334

— M. COOK

### No private transfer fees

The imposition of private transfer fees is prohibited when conveying land from one person to another.

Rep. Gail Kulick Jackson (DFL-Milaca), who sponsors a new law with Sen. Linda Scheid (DFL-Brooklyn Park), said private transfer fees are "a future stream of income created by developers in restrictive covenants." The covenants usually dictate that a percentage of every future sale of the property for up to 99 years be paid back to the original developer. She said these are being sold as securitized instruments in other states where such fees have popped up.

Without the change, there would be additional expenses with private transfer fees included in each successive sale. Jackson is aware of one case in Minnesota, and said that 43 other states are addressing the issue.

Jackson said the builders, land title, realtor and state bar associations support this, as does the U.S. Department of Housing and Urban Development. The law is effective May 20, 2010.

The law also changes an effective date contained in Chapter 238 enacted earlier in the session from Jan. 1, 2011, to July 1, 2011. It applies to a provision that would provide for a 20-year period during which an action to collect a child support judgment could be maintained, rather than the existing 10-year period provided in law. This change is for technical real estate search reasons.

HF3786/SF3361\*/CH371

— M. COOK

## LOCAL GOVERNMENT

### County assessors' duties clarified

A new law is intended to help clear a bottleneck of appeals cases in property tax court.

Sponsored by Rep. Gail Kulick Jackson (DFL-Milaca) and Sen. Lisa Fobbe (DFL-

### New laws online

A complete review of all new laws passed this year is expected to be available after July 1 at the New Laws 2010 Web page, [www.house.leg.state.mn.us/hinfo/NewLaws/NewLawsmain.asp](http://www.house.leg.state.mn.us/hinfo/NewLaws/NewLawsmain.asp). To receive an electronic notification when the New Laws have been posted, go to [www.house.leg.state.mn.us/hinfo/subscribe.asp#bymail](http://www.house.leg.state.mn.us/hinfo/subscribe.asp#bymail)

Zimmerman), the new law clarifies the original intent of a 1993 law by specifically authorizing county assessors to perform property appraisals, prepare reports and testify before any court as an expert within the jurisdiction.

The law is mostly effective May 15, 2010, for testimony offered and opinions or reports prepared in cases or proceedings that have not been finally resolved.

Jackson said that a strict reading of the earlier law in a 2009 appeals case, *Shoppes of Woodbury v. Washington County*, has prevented courts from accepting county assessors' expert testimony regarding property appraisals. Hiring outside appraisers is a costly alternative, adding an estimated \$25,000 to the county's cost.

A section takes effect Aug. 1, 2010 that amends the division of duties between local and county assessors to provide that, if directed by the county assessor, the local assessor shall perform certain duties, such as performing appraisals, reviewing the original assessment and determining its accuracy or preparing an appraisal or report.

HF3147/SF2885\*/CH354

— K. BERGGREN

### **Flood relief fund assistance**

The 2010 spring floods have receded, but cleanup costs remain for local communities in the Red River Valley and along the Minnesota and Mississippi rivers.

A new law sponsored by Rep. Kent Eken (DFL-Twin Valley) and Sen. Keith Langseth (DFL-Glyndon) should help.

Effective May 26, 2010, it calls for a \$3.69 million General Fund appropriation to help with cleanup efforts in 24 counties declared federal disaster areas. However, the price tag could be closer to \$4 million once all assessments are complete.

The federal government will pick up 75 percent of flood damage costs, and the state has traditionally picked up the remaining 25 percent. Bonding dollars cannot be used because the money is for repair, not construction.

Rep. Morrie Lanning (R-Moorhead), who sponsored an identical bill (HF3796) said his city has spent \$10 million of its own money for flood mitigation projects in recent years and the state has provided significant money for statewide flood mitigation as well. He warned that work needs to continue.

HF3795/SF3379\*/CH377

— M. COOK

### **Firefighters may collect for charity**

Since 2000 in Minnesota, and since 1955 in other states and Canada, firefighters have

raised money for the Muscular Dystrophy Association by collecting spare change from motorists stopped at red lights. A new law gives them the green light to continue to use the "Fill the Boot" strategy to raise funds for charity.

A new law, effective Aug. 1, 2010, will allow a municipality to permit firefighters to use this technique for up to three days a year to benefit one registered nonprofit organization qualified under section 501(c)(3) of the Internal Revenue Code. It is sponsored by Rep. Joe Atkins (DFL-Inver Grove Heights) and Sen. Ann Rest (DFL-New Hope).

Minneapolis and Duluth had expressed concerns about liability and requested statutory permission to permit them to allow such charitable solicitation, said Atkins, though they have no reservations about the cause. According to the law, the charitable organization must have general liability insurance against certain kinds of claims, with a limit of no less than \$1.5 million per occurrence.

HF3017\*/SF2413/CH227

— K. BERGGREN

## **MILITARY**

### **Designating American Legion Day**

American Legion Day is designated as Sept. 16, under a new law.

Sponsored by Rep. Jerry Newton (DFL-Coon Rapids) and Sen. Sharon Erickson Ropes (DFL-Winona), the law recognizes "the millions of American Legion veterans who have dedicated and continue to dedicate themselves to service of community, state, and nation."

Sept. 16 commemorates the date in 1919 that Congress chartered the American Legion.

The law is effective Aug. 1, 2010.

HF2538/SF2373\*/CH185

— P. OSTBERG

## **RETIREMENT**

### **State employee and teacher pensions**

Employer and employee pension contributions will be adjusted in an attempt to help state employee and teacher pension funds reach financial sustainability, under a new law.

Sponsored by Rep. Mary Murphy (DFL-Hermantown) and Sen. Don Betzold (DFL-Fridley), the law makes adjustments to several retirement accounts, including the Minnesota State Retirement System plan that covers more than 50,000 active employees and currently pays monthly benefits to over 20,000 retirees,

survivors and disabled employees.

Other affected plans include: General Employees Retirement Plan for the Public Employees Retirement Association, Teachers Retirement Association, Duluth Teachers' Retirement Fund Association, St. Paul Teachers' Retirement Fund Association, Minneapolis Employees Retirement Fund and the State Patrol Plan.

The law adjusts the inflow and outflow of money by using various strategies, including reducing cost-of-living adjustments, reducing interest on deferred benefits and eliminating interest on re-employed retiree accounts. Administrative functions of MERF and PERA are merged in the law.

Murphy said the state made a promise to public employees in their pension plans and it should be kept.

The law has various effective dates.

HF3281/SF2918\*/CH359

— P. OSTBERG

### **Early retirement incentive**

Eligible state employees can have two years of health and dental insurance coverage deposited into their health care savings plan as an early retirement incentive, under a new law.

Sponsored by Rep. Loren Solberg (DFL-Grand Rapids) and Sen. Tom Bakk (DFL-Cook), the law is applicable for an employee with at least 15 years of contributions in certain retirement funds; who accepts the incentive no later than Dec. 31, 2010; retires no later than June 30, 2011, and is not in receipt of certain state retirement plans during the month preceding the termination of qualified employment.

The employee can use the funds for health care expenses.

The employee's appointed authority has the discretion whether to offer the retirement incentive. Employees who accept the incentive may not be reemployed or hired as a consultant by any agency or entity that participates in the State Employee Group Insurance Program for three years.

The Minnesota Management & Budget commissioner must report to the Legislature by April 2, 2011, the number of employees accepting the incentive.

The law is effective May 14, 2010.

HF2038/SF1481\*/CH337

— P. OSTBERG

## **SAFETY**

### **Kelsey Smith Act**

The death of a Kansas teenager three years ago is the impetus behind a new law that will let

law enforcement agencies track down missing persons by using their cell phone data.

Sponsored by Rep. Sheldon Johnson (DFL-St. Paul) and Sen. Yvonne Prettner Solon (DFL-Duluth), the law is named after Kelsey Smith, who was abducted and murdered in Kansas in 2007. Her body was found after her parents compelled her cell phone company to track down her phone's location. Federal law allows — but does not require — that the companies provide that information.

The Kelsey Smith Act will require cell phone service providers to disclose their customers' call location information in emergency situations. Using cell site towers, a cell phone company can triangulate the location of a cell phone or other wireless device to within close proximity. The law, effective Aug. 1, 2010, will require cell phone companies to reveal call location data in cases where an individual is missing and at risk of "death or serious physical harm."

The new statute will mandate that the companies provide the data, under certain conditions. The law enforcement agency seeking the data must submit a written request, and service providers must establish protocols that allow them to respond to such requests.

HF2639\*/SF2470/CH342

— N. BUSSE

### Ignition interlock enacted

With the goal of keeping people who drink and drive off state roadways, a new law requires use of an ignition interlock device in some instances. It also provides a way for people with a B-Card license to get the restriction removed.

Effective July 1, 2011, repeat DWI offenders and first-time offenders whose alcohol concentration is at least double the legal limit will have to use an ignition interlock device to legally drive in the state. The law is a statewide expansion of a successful pilot program in Hennepin and Beltrami counties.

The device is installed in motor vehicles to prevent them from being started if a driver's breath exceeds a preset breath-alcohol content limit, which will be 0.02 percent. The vehicle will not start if the limit is exceeded. A driver would also have to breathe into the device at certain times once the vehicle is started. If a driver fails a test, the vehicle would shut down. A driver with a BAC of 0.08 percent or greater is considered legally drunk. Device features deter others from starting the vehicle.

Under the law, first-time offenders whose alcohol concentration is below twice the legal limit will have a choice of getting a restricted license, as is in current law, or getting full driving privileges provided they use the ignition interlock device.

The waiting period before issuance of a

## TIME TO READ



PHOTO BY TOM OLMSCHIED

**Rep. Roger Reinert makes time to read a book while waiting for the House to reconvene May 16.**

limited license to multiple DWI offenders is eliminated; however, time using the ignition interlock is increased by the number of offenses up to six years for five or more offenses no matter the BAC level.

DWI offenders whose alcohol concentration is 0.16 percent or greater who choose not to use ignition interlock will lose driving privileges for up to six years depending on the offense level. Repeat offenders under 0.16 percent also must go on ignition interlock or they cannot drive legally.

Ignition interlock users would lease the device for an estimated \$100 a month for the device and monitoring; although the Department of Public Safety will look for ways to lower the cost for indigent people.

All but three states have some type of ignition interlock law. According to the National Conference of State Legislatures, about 146,000 ignition interlock devices are in use nationwide.

The law also permits a holder of a B-Card to apply to have the no-alcohol restriction removed if the person has not violated the abstinence condition for the past 10 years. A B-Card is issued to a multiple-DWI offender who wants to keep driving and pledges not to drink any alcohol. The no-alcohol restriction is on the card.

Rep. Karla Bigham (DFL-Cottage Grove) and Sen. Steve Murphy (DFL-Red Wing) are the law's sponsors.

HF3106\*/SF2741/CH366

— M. COOK

### Detention placement

Clarification of detention placement options for extended jurisdiction juveniles pending revocation hearings is the goal of a new law.

Sponsored by Rep. Joe Mullery (DFL-Mpls) and Sen. Ron Latz (DFL-St. Louis Park), the law is in reaction to new federal legislation. Most of the changes were already in rules, but they are being codified in statute to comply so the state can keep receiving some federal money.

Extended jurisdiction juvenile is designed to give a serious youth offender one last chance. It is used when there is some hope that the youth can be helped in the juvenile justice system, but recognition that this may not happen. A juvenile sentence is imposed on the offender with the caveat that if that sentence is violated, a stayed adult sentence would be imposed. The juvenile court has control of such cases until the offender turns 21.

Under the law, a person convicted as an extended jurisdiction juvenile who has violated conditions of the stayed sentence and is taken into custody pending a revocation hearing must be held in a secure juvenile detention facility. If there is no available facility, the juvenile can be held in an adult confinement facility "up to 24 hours, excluding Saturdays, Sundays, and holidays, or for up to six hours in a standard metropolitan statistical area" provided he or she is kept away from any adults, including "complete sight and sound separation."

It takes effect Aug. 1, 2010.

HF2607/SF2755\*/CH330

— M. COOK



### **No salvia divinorum possession**

A drug that is becoming more popular with teenagers and 20-somethings will be illegal.

Sponsored by Rep. Morrie Lanning (R-Moorhead) and Sen. Bill Ingebrigtsen (R-Alexandria), a new law creates a misdemeanor for possession of salvia divinorum and a gross misdemeanor for its sale.

The law takes effect Aug. 1, 2010.

Derived from an herb from Mexico and known for its hallucinogenic effects that are often compared to LSD, salvia divinorum is either chewed or smoked. Its psychic effects include perceptions of bright lights and vivid colors, uncontrolled laughter and hallucinations. Harmful physical effects may include lack of coordination, dizziness and slurred speech.

Twenty states have made this illegal, including North Dakota, South Dakota and Wisconsin.

Salvia divinorum is sold by head shops on a retail basis, making it problematic, especially in towns bordering other states.

A 2009 national survey indicated 5.9 percent of high school seniors had used salvia divinorum, more than have used the drug ecstasy.

HF2975/ SF2773\*/CH368

— M. Cook

### **Violent crime council creation**

Most law enforcement officers are professional in their duties, but the troubles of the Metro Gang Strike Force gave a black eye to criminal enforcement teams.

A new law aims to ensure what happened with that unit doesn't happen again.

Effective Aug. 1, 2010, unless otherwise noted, the law creates a Violent Crime Coordinating Council to offer guidance on gang and drug crime investigation and prosecution. Its duties will include development of an operating procedures and policies manual, recommending a candidate for statewide coordinator and developing policies "that prohibit the improper use of characteristics such as race, color, national origin, gender, or religion to target individuals for law enforcement action, prosecution, or forfeiture action."

Two reports from last summer indicated that 10 or 12 gang strike force officers may have illegally taken cash or property from people with no gang connections. The reports indicate that cash was missing from strike force storage areas and officers allegedly took some property for personal use. Other property was sold to officers or family members for pennies on the dollar.

The law dissolves the Metro Gang Strike Force, effective July 1, 2011, but all current and

future obligations and liabilities of the force stay with the parties that created the joint powers agreement that created the force.

A big change would be authority given the public safety commissioner.

When the commissioner became aware of the gang strike force problem, all he could do was shut off funding, but the force's advisory board continued to exist. Under the law, the commissioner will have to certify the multijurisdictional entities and their designated fiscal agent. This way if it is determined there were any problems with a gang and drug strike force the commissioner could close it down.

The list of purposes for which law enforcement may access data in the Comprehensive Incident-Based Reporting System is expanded to include: serving process in a criminal case, informing law enforcement officers of possible safety issues before service of process, enforcing no contact orders, locating missing persons and when conducting background investigations on prospective licensed peace officers.

The superintendent of the Bureau of Criminal Apprehension is to create a working group to discuss laws and issues related to criminal intelligence databases. An executive summary document is due to the Legislature by Feb. 1, 2011. In looking at public safety and privacy issues, the group is to "make recommendations on proposed legislative changes for the classification, storage, dissemination, and use of criminal investigative data, including data from other states, and for guidelines governing usage and collection of criminal investigative data held by law enforcement agencies."

Rep. Michael Paymar (DFL-St. Paul) and Sen. Mee Moua (DFL-St. Paul) sponsor the law.

HF2965/SF2725\*/CH383

— M. Cook

## **STATE GOVERNMENT**

### **Sentencing error turns to claim**

William Howard Heins will receive \$34,049 from the state for payment of lost wages due to a sentencing error that left him incarcerated an extra 389 days. The situation was corrected only after a decision by the state Court of Appeals. As part of the settlement, he will be required to pay off fines and restitution amounts owed, and agree not to seek credit against any future sentence for the time mistakenly served.

The provision is part of the nearly \$91,500 claims law sponsored by Rep. Lyle Koenen (DFL-Clara City) and Sen. Ron Latz (DFL-St. Louis Park). The law, effective July 1, 2010, contains recommendations from the Joint

House/Senate Subcommittee on Claims and also includes:

- \$53,700 for seven claims by prisoners who suffered permanent partial disabilities while performing assigned duties in prison, and two claims by people who suffered permanent partial disabilities while performing sentence to service work; and
- \$3,700 to reimburse the Corrections Department for sentence to service and community work service claims under \$500 and claims already paid.

According to its website, "The Joint House/Senate Subcommittee on Claims was established in 1976 to hear and recommend to the legislature whether or not to pay claims against the state by various persons who cannot proceed against the state under the State Tort Claims Act."

The appropriation is available until June 30, 2011.

HF3660\*/SF3246/CH332

L. SCHUTZ

### **State labor contracts ratified**

State labor and compensation contracts negotiated between the executive branch and various bargaining units are ratified under a new law.

Sponsored by Rep. Leon Lillie (DFL-North St. Paul) and Senate President James Metzen (DFL-South St. Paul), the law solidifies agreements for Minnesota State College Faculty; Minnesota State University Association of Administrative and Service Faculty; American Federation of State, County, and Municipal Employees Council 5; AFSCME, Council 5, Unit 8; AFSCME, Council 5, Unit 225; Minnesota Association of Professional Employees; Middle Management Association; Office of Higher Education; Minnesota State Colleges and Universities Administrators; unrepresented employees of Minnesota Management & Budget; Minnesota Government Engineers Council; Minnesota Law Enforcement Association; Minnesota Nurses Association; and State Residential Schools Education Association.

The annualized costs granted during the biennium to salaries, step increases, insurance and pension range from 0.39 percent to 2.9 percent.

The law is effective May 14, 2010.

HF2758/SF2386\*/CH323

— P. OSTBERG

### **Data practices changed by law**

Terms and conditions of an employment relationship for current and former employees, volunteers and independent contractors of a government entity will become public data, as will work-related continuing education.

These are part of the omnibus data practices law, effective Aug. 1, 2010, unless otherwise noted.

Among the items already considered public data by a government entity are: the person's name, job title and bargaining unit, dates of employment, work location and payroll time sheets to account for the employee's work time for payroll purposes.

Other provisions in the law, sponsored by Rep. Joe Mullery (DFL-Mpls) and Sen. Mary Olson (DFL-Bemidji), include:

- making data related to a disciplinary action nonpublic in cases where a current or former employee, volunteer or independent contractor of a government entity is completely exonerated of disciplinary action by an arbitrator;
- rewriting language relating to informed consent requirements for the release of data for insurance purposes;
- making nonpublic the security features of building plans and building specifications and drawings for state-owned and state-leased facilities when maintained by the Department of Administration; however, this information "may be shared with anyone as needed to perform duties of the commissioner";
- allowing parole and county probation authorities to access private firearms permit data on an applicant or permit holder subject to the authority's supervision; and
- classifying certain private donor gift data maintained by the Regional Parks Foundation of the Twin Cities and State Services for the Blind as private. This is effective May 19, 2010.

The identity of complainants to the Administration Department's Office of Grants Management is made private. However, it permits the agency to share information with the executive agency that is the subject of the comments. This will give citizen complaints the same protection received by employee whistleblowers.

HF1083/SF863\*/CH365

— M. COOK

### Energy improvement program

Technical changes to the Department of Administration's energy improvement financing program are included in a new law.

Sponsored by Rep. Jeremy Kalin (DFL-North Branch) and Sen. D. Scott Dibble (DFL-Mpls), the law adds technical language to allow the commissioner to solicit proposals from private financial institutions on an individual project or line-of-credit basis.

Kalin said the law allows the department to add a line-of-credit so they can cost effectively

## RELAXING MOMENT

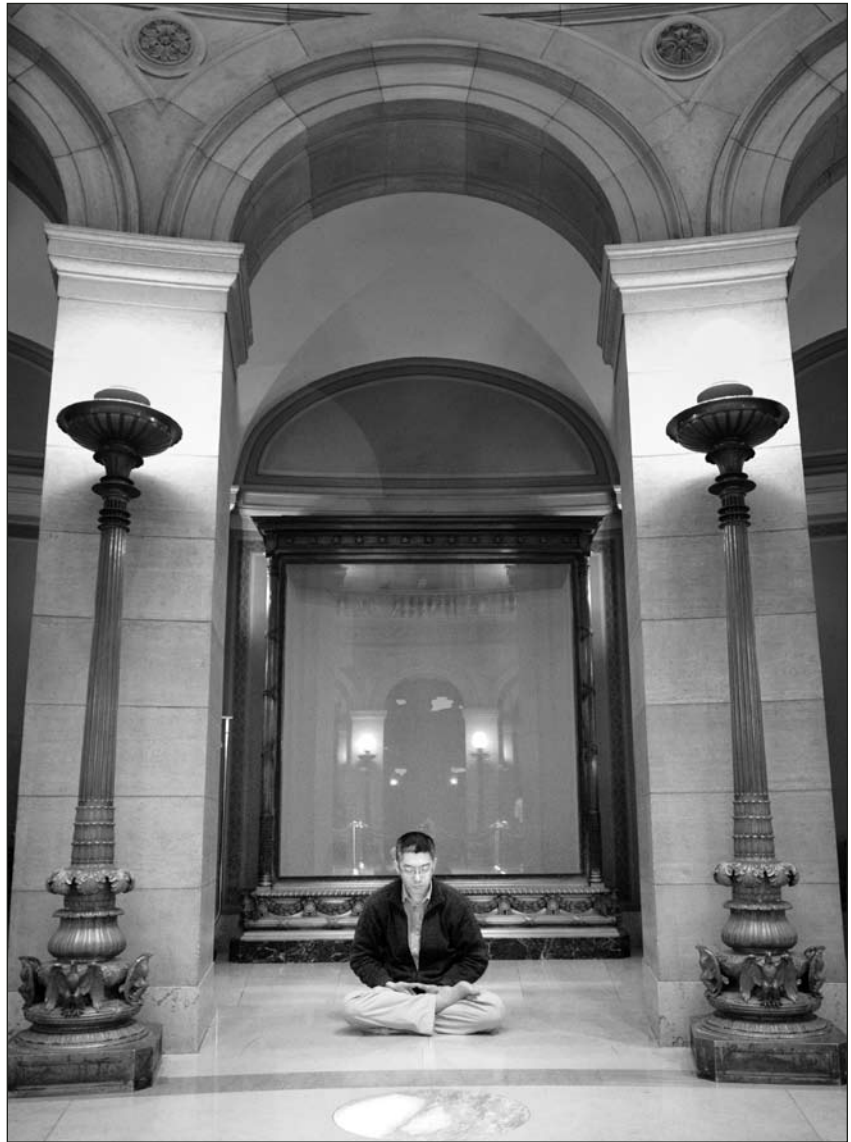


PHOTO BY TOM OLMSCHEID

**Jie Zhang of Shoreview practices Falun Dafa between the columns in the Rotunda May 13 as the Legislature worked during the last stressful week of the session to reach a budget agreement with the governor.**

manage multiple projects that involve varying pieces of equipment, rather than just one.

With commissioner approval, an agency head with control of a state-owned building with an estimated market value of less than \$50,000, may sell, demolish or otherwise dispose of the building. If sold, the building's proceeds must be placed in the account from which the building was built or the General Fund.

The technical change is effective May 19, 2010. The sale of buildings takes effect Aug. 1, 2010.

HF3682/SF3318\*/CH369

— P. OSTBERG

### Government collaboration

A new law aims to increase collaboration between all levels of government.

Sponsored by Rep. Marsha Swails (DFL-Woodbury) and Sen. Ann Rest (DFL-New Hope), the law will create a nine-member council chaired by the state auditor to develop recommendations to increase collaboration such as:

- improving delivery of governmental services;
- connecting entities and sharing information through the use of technology;
- facilitating credit and debit card transactions and electronic data interchanges; and

- creating model forms for joint powers agreements.

The council will submit its recommendations by Feb. 1 of each year to the Legislature and governor. The council expires on June 30, 2015.

Council members will include the League of Minnesota Cities; Minnesota Association of Townships, Association of Minnesota Counties, Minnesota School Boards Association; American Federation of State, County, and Municipal Employees Council 5; Service Employees International Union; Education Minnesota and the Minnesota Chamber of Commerce.

Swails said the law is based on meetings she and Rep. Carol McFarlane (R-White Bear Lake) had as they traveled the state meeting with local officials and several service cooperatives that work with school districts in Greater Minnesota and asked, "What are the obstacles that keep schools, counties, cities and towns from sharing services or collaborating?"

The law is effective June 1, 2010.  
HF2840/SF2511\*/CH319

— P. OSTBERG

### Notary stamp and fee changes

Changes are made to notaries public, such as requiring all notaries to obtain an official stamp, under a new law.

The law is effective Aug. 1, 2010, unless otherwise noted.

Sponsored by Rep. Melissa Hortman (DFL-Brooklyn Park) and Sen. Don Betzold (DFL-Fridley), the new law reduces the fee of recording a notary commission that may be charged by a court administrator from \$100 to \$20. To offset the lost revenue, the fee submitted to the Office of the Secretary of State when filing an application for a notary commission is increased from \$40 to \$120.

Other changes include:

- the notary's name on the stamp must be identical to the certificate of acknowledgement and in the notary's commission;
- references to an "official seal" are changed to "notarial stamp";
- effective July 31, 2011, extends from 60 days to six months prior to expiration the period during which a notary may apply for renewal of a commission; and
- a notary public may certify an individual's signature "when it appears that the individual has a physical limitation that restricts the individual's ability to sign by writing or making a mark."

HF910\*/SF214/CH380

— P. OSTBERG

### State government policy provisions

The Office of Enterprise Technology's chief information officer may appoint a webmaster to supervise and develop state websites, under the omnibus state government finance law.

Sponsored by Rep. Phyllis Kahn (DFL-Mpls) and Sen. Don Betzold (DFL-Fridley), the law will make policy changes to various departments of state government, including:

- the Council on Black Minnesotans is permitted to solicit and accept payments for advertising, use of exhibition space, media productions and informational programs sponsored by the council;
- the Legislative Coordinating Commission may map data from the appropriations made by the Legislative Citizen Commission on Minnesota Resources for the public to access;
- the LCC may also request more information on obtaining business intelligence and information analytics software to improve access to public data on state executive branch accounting, procurement and budget systems;
- any agency with deposits totaling \$1,000 or more must deposit them daily, the previous amount was \$250;
- the chief information officer, along with the Information Policy Analysis Division of the Department of Administration shall develop standards to enhance public access to certain state government data maintained by the state;
- data collected by the clean water partnership program and agencies monitoring groundwater shall maintain databases using standards by the Office of Enterprise Technology and the Minnesota Geospatial Information Office;
- the chief information officer, in consultation with the Minnesota Management & Budget commissioner, must study and report to the Legislature by Jan. 15, 2011, the feasibility of entering into a lease agreement with a private nonprofit, involving a private sector developer, to develop a centralized data system for state agencies; and
- a Commission on Service Innovation is established to provide the Legislature with a plan to reengineer delivery of state and local government services.

The law takes effect July 1, 2010, except for the innovation commission, which takes effect May 26, 2010.

HF3449/SF3134\*/CH392

— P. OSTBERG

### Revising and updating statutes

The yearly version of what is commonly referred to as the Revisor's Law makes technical changes to statutes. This can

include correcting cross-references; striking references and language to repealed sections, and when appropriate, inserting the correct references; fixing miscellaneous drafting errors, such as typos or grammatical errors; and making any other necessary changes that need to be made to state statutes.

Sponsored by Rep. Gail Kulick Jackson (DFL-Milaca) and Sen. Mee Moua (DFL-St. Paul), most of the law takes effect Aug. 1, 2010.

During the interim between sessions, substantial editing and proofreading is done to the Laws of Minnesota and Minnesota Statutes. These changes, together with requests for additional clarifying changes from other state agencies, make up the law.

HF2970/SF2642\*/CH382

— M. COOK

### Service contracts changed

Technical changes will be made to state law as it relates to organizations that employ people who are severely disabled, and who contract with the state for services.

Sponsored by Rep. Gene Pelowski Jr. (DFL-Winona) and Sen. Ann Rest (DFL-New Hope), the law will ensure that 19 percent of contracts are awarded to organizations that employ workers who are severely disabled for janitorial services, document imaging and shredding, mailing, collating and sorting services.

"For the 19 percent requirement to be applicable in any given year, the contract amounts proposed by eligible providers must be within six percent of the estimated fair market price for at least 19 percent of the contracts awarded for the corresponding service area," according to the law.

The administration commissioner is to track each service area and each contract entered into and report to the Legislature each Feb. 15.

It takes effect Aug. 1, 2010.

HF3096\*/SF2735/CH266

— P. OSTBERG

### Corrections to new laws

Before some of this year's new laws are even enacted, their authors are catching small mistakes that could lead to oversights, inconsistencies, ambiguities or unintended results.

A new law makes the necessary corrections to a variety of laws, most of them passed this year. The law's effective dates correspond to the laws to which it refers.

Sponsored by Rep. Gail Kulick Jackson (DFL-Milaca) and Sen. Mee Moua (DFL-St. Paul), the law makes changes to the omnibus capital investment law and, the omnibus agriculture and veterans' policy law. It also



addresses laws regarding municipalities' securities lending agreements; business screening services regulation and criminal record modification; snow removal in some subdivisions; civil commitment of sex offenders; exemption for certain increased interest rates on certain monetary judgments; human services training and licensing; and the ignition interlock law.

HF3787\*/SF3323/CH385

— K. BERGGREN

## TRANSPORTATION

### Bridge inspection enhancement

After the Interstate 35W bridge collapse in 2007, there were three separate management reviews of the Department of Transportation, with emphasis on its bridge inspection role.

Sponsored by Rep. Melissa Hortman (DFL-Brooklyn Park) and Sen. D. Scott Dibble (DFL-Mpls), a new law reflects some recommendations generated from the reviews.

The law, mostly effective May 16, 2010, will enhance the state's bridge inspection program by designating funds for innovations in bridge monitoring and inspection technology to help address outdated bridge inspection techniques. It also requires a report to the Legislature on Feb. 1 of each odd-numbered year on bridge inspections and quality assurance, including a summary of inspection reviews. The estimated \$12,000 report cost would come from the Trunk Highway Fund.

An Office of the Legislative Auditor recommendation that the department develop a debt management plan is also part of the law. Hortman said this will help assure that, "when we fund transportation projects, we are aware of the debt, and that we don't dedicate a whole bunch of our future revenues to paying down debt when we know we are going to have continuing maintenance costs."

The law also requires that either the department commissioner or a deputy commissioner be a professional engineer.

HF605/SF1060\*/CH350

— L. SCHUTZ

### Updates to truck regulations

Trucks, trucks transporting other trucks, truck weights and lengths are addressed in state law; however, some changes are needed to conform the state's regulations to those of the federal government.

A new law, sponsored by Rep. Melissa Hortman (DFL-Brooklyn Park) and Sen. Rod Skoe (DFL-Clearbrook), cleans up statute that, in some cases, goes back to 1980. With the increase in truck weight and length, some permitting and fee adjustments are also

needed. The changes laid out in the law could have a positive impact of \$22,000 to the state's Trunk Highway Fund.

The law, effective Aug. 1, 2010, also addresses how new trucks are hauled to dealerships. It establishes a maximum length of 97 feet for saddle mount combinations where one truck-tractor tows other truck-tractors in a series.

HF3029/SF2846\*/CH320

— L. SCHUTZ

### Escort driver certification ahead

The Department of Public Safety will establish a training and certification program for those who drive the escort car in front of a vehicle transporting a wide load.

To qualify as an over-dimensional load escort driver, a person will have to be at least age 18, have a valid license for the vehicle being driven and successfully complete the certification course and any other requirements specified by the public safety commissioner, who is directed under the new law to write rules and establish a certification/training fee.

Other drivers will be required to obey traffic-control instructions given by the escort drivers, who may direct traffic with a flag and stop or hold vehicles in place until it is safe to proceed.

Rep. Mike Nelson (DFL-Brooklyn Park) sponsors the law with Sen. Ken Kelash (DFL-Mpls). Most of the law becomes effective one year after rulemaking is published in the State Register. The DPS rulemaking authority is effective May 12, 2010.

HF3168/SF2756\*/CH311

— S. HEGARTY

### Traffic lanes, speeds adjusted

When speed limits on rural two-lane state highways increased from 55 mph to 60 mph, highway work zone speeds increased too, because the law only allowed work zone speeds to be reduced by 15 mph. Effective Aug. 1, 2010, a new law will allow the Department of Transportation to reduce speeds in work zones by 20 mph.

Rep. Melissa Hortman (DFL-Brooklyn Park) and Sen. Joe Gimse (R-Willmar) sponsor the law, which also includes a requirement that, beginning Aug. 1, 2010, driver's manuals will be updated to instruct slow-moving vehicles to use the far-right lane on multi-lane roads. Effective May 18, 2010, the law exempts school bus drivers from wearing seat belts.

HF3263\*/SF3106/CH356

— S. HEGARTY

### Fee compliance, funds for road work

Through the lawmaking process, a bill can substantially change by the time it hits the

governor's desk. That's the case with a new law sponsored by Rep. Mike Obermueller (DFL-Eagan) and Sen. Steve Murphy (DFL-Red Wing).

Originally passed by the House and Senate as a "complete streets" concept, it would have moved the state toward a policy where any state-aid funded road project must consider the impact the roadway would have on the people who use it and the surrounding area. However, a conference committee deleted that language and agreed to a bill that will establish a new specialty license plate, appropriate money for transportation tax compliance, and authorize the sale of state bonds for transportation needs. The complete streets language was instead included in the transportation policy omnibus. Laws 2010, CH 351.

The new law allows for the sale of \$100.1 million in trunk highway bonds for state road construction and reconstruction in fiscal year 2011.

- \$70 million is to be equally split between the Twin Cities metropolitan area and Greater Minnesota for trunk highway interchange improvements that will promote economic development, increase employment, relieve traffic congestion and promote traffic safety;
- \$30 million is for construction, reconstruction and improvement of trunk highways, including design-build contracts for right-of-way acquisitions and relocation expenses; and
- \$100,000 for bond sale expenses.

The bonding provision is effective May 28, 2010.

Since 1998, the Vehicle Crimes Unit of the Minnesota State Patrol has investigated unpaid motor vehicle taxes and dealer fraud as it relates to registration fees and taxes, and residents who register their vehicles in another state because the fees are less expensive. Staffing for the unit has decreased over time.

The new law reallocates \$191,000 in State Patrol funding (by shifting fund sources) and makes an additional \$50,000 appropriation in fiscal year 2011 for beefed up tax compliance. The efforts could bring an estimated \$202,000 over the remainder of the biennium to the state. It also sets base appropriations for the program amounting to \$743,000 in each of fiscal years 2012 and 2013, reflecting increased State Patrol staffing for the program. The unit's work is expected to yield an additional \$807,000 per year in 2012 and 2013. A report on generated revenues is due the Legislature by Feb. 1, 2015. This provision is effective July 1, 2010.

The law also establishes a new Remembering Victims of Impaired Drivers license plate that along with the words, will display an image of

a broken heart. The \$10 fee for the specialty plate will be credited to the vehicle services operating account in the special revenue fund. This is effective Aug. 1, 2013.

HF2801\*/SF2461/CH388

— L. SCHUTZZ

### Enhanced driver's license created

A new law could make it easier and cheaper for people to drive into Canada for a weeklong fishing trip or for a couple that wants to cruise to the Bahamas.

Sponsored by Rep. Roger Reinert (DFL-Duluth) and Sen. Tom Saxhaug (DFL-Grand Rapids), the law will create enhanced state driver's licenses and state identification cards that have security features approved by the U.S. Department of Homeland Security, including additional identifier technology to prove the holder is an American citizen. The cards will be acceptable for entry into the United States, and no personal information will be included in the tag embedded in the card, which is optional to attain.

Reinert said that federal legislation — the Western Hemisphere Travel Initiative — requires a passport or other federally approved form of identification to prove one's citizenship. The card will allow people to travel anywhere within the travel initiative.

According to the U.S. State Department, "The Western Hemisphere Travel Initiative is a result of the Intelligence Reform and Terrorism Prevention Act of 2004 (IRTPA), requiring all travelers to present a passport or other document that denotes identity and citizenship when entering the United States. ... The goal of WHTI is to strengthen U.S. border security while facilitating entry for U.S. citizens and legitimate foreign visitors by providing standardized documentation that enables the Department of Homeland Security to quickly and reliably identify a traveler."

Reinert said the cards carry the same privileges as current driver's licenses and state identification cards. It would cost \$15, far less than a passport, which costs \$100 and is expected to increase this summer.

Other states or Canadian provinces that have a similar card include: Michigan, New York, Washington, Vermont, British Columbia, Manitoba, Ontario and Quebec.

Those who depend on the economic activity of people going to and from Canada say travel is way down, said Rep. Morrie Lanning (R-Moorhead), adding that the card will allow people to cross the border at less cost.

Most of the bill takes effect June 1, 2012, for every enhanced driver's license and enhanced identification card issued beginning Jan. 1, 2013.

Effective May 14, 2010, the public safety

## MEMBERS VOTE



PHOTO BY TOM OLMSCHIED

House members vote 97-32 to pass a budget-balancing bill during a one-day special session May 17.

commissioner is to enter into agreement with the U.S. Department of Homeland Security to develop an enhanced state driver's license and identification card.

HF1005/SF345\*/CH316

— M. COOK

### New law paves way for new policies

In New York City, it's called "Blocking the Box," and if you do so, you'll end up with a

hefty fine. Effective Jan. 1, 2011, in Minnesota, those that block an intersection controlled by a traffic-control signal and impede movement of cross traffic could be subject to a ticket.

This is one of the mixed-bag of provisions contained in the omnibus transportation policy law.

The law, effective Aug. 1, 2010, unless otherwise noted, also addresses a concern that the increase in transit options for the Twin Cities metropolitan area translates to fewer



transit options for Greater Minnesota. This law tries to address this inequity by calling for a Greater Minnesota transit investment plan that will have as a goal to meet at least 80 percent total transit service needs in Greater Minnesota by July 1, 2015, and meeting at least 90 percent by July 1, 2025.

To that end, a Minnesota Council on Transportation Access is established to study, evaluate, oversee and make recommendations to improve the coordination, availability, accessibility, efficiency, cost-effectiveness and safety of transportation services to those who utilize public transit. The governor had objected to a similar provision last year because members would have been eligible for per diem; the new language states that members will only be reimbursed for expenses.

Rep. Frank Hornstein (DFL-Mpls) and Sen. Steve Murphy (DFL-Red Wing) sponsor the law. It contains several modified provisions from last year's vetoed omnibus transportation policy bill, including one that would have prohibited several activities at rest areas, including sleeping overnight in vehicles or pitching a tent. This year's law no longer carries the prohibitions, except one relating to improper disposal of trash and rubbish at rest areas.

The law also sets a new fee of \$100 for a vertical motorcycle plate, criteria for issuing special license plates and a process for mothballing plates that have few takers. For example, eligibility for the Combat Wounded license plate is expanded to a Purple Heart recipient who is still serving in the military, rather than just veterans.

Other new veteran-related specialty plates will be available for recipients of the Korean Defense Service Medal, the Bronze Star medal and the Silver Star medal.

The law designates two highway sections as memorials to veterans: the "Becker County Veterans Memorial Highway" will be along segments of Trunk Highways 34 and 87, and a portion of Trunk Highway 200 from the North Dakota border to Mahanomen is designated as the "Veterans Memorial Highway." It also clarifies the description in a 2009 law creating the Clearwater County Veterans Memorial Highway along Trunk Highway 200.

Imagine streets that take into account the needs of motorists, cyclists, pedestrians and people with special needs. The law pushes the state toward a policy that would, during the design phase of any state-aid funded road project, take into consideration the impact the roadway would have on the people who use it, and the impact on the areas that it passes through.

Beginning in 2011, the Department of Transportation is to implement a policy with a goal of developing a balanced transportation system that takes into consideration all modes of transportation.

All bridge projects in the trunk highway bridge improvement program funded in fiscal year 2012 or later must include bicycle and pedestrian accommodations if both sides of

the bridge are located in a city or the bridge links a pedestrian way, shared-use path, trail, or scenic bikeway. These accommodations will not be required if there is a reasonable alternative bicycle and pedestrian crossing within one-quarter mile of the bridge project. This takes effect July 1, 2010.

HF2807/SF2540\*/CH351

— L. SCHUTZ

## LAST LOOK



PHOTO BY TOM OLMSCHIED

**Rep. Paul Kohls, who is not seeking re-election, takes time during the early morning of May 17 to look at the sayings around the Capitol's west wing while waiting for the House to reconvene in special session. The Edward Everett saying he's looking at reads, "Education is a better safeguard of liberty than a standing army."**



## CRIME

### 'Mixture' definition gets vetoed

A weighty issue can mean dissimilar penalties for people using the same amount of drugs.

The weight of an entire mixture can now be used when charging decisions are made regarding illegal use of a controlled substance, even if the drug residue is only a small part of the mixture.

Sponsored by Rep. Phyllis Kahn (DFL-Mpls) and Sen. Sandy Pappas (DFL-St. Paul), a bill sought to amend the definition of "mixture" in first- through third-degree controlled substance crimes. It would have established that "the weight of fluid used in a water pipe may not be considered in measuring the weight of a mixture, except in cases where the mixture contains four or more fluid ounces of fluid."

It was vetoed by Gov. Tim Pawlenty, who in his veto letter, said the bill "waters down current criminal justice practices and standards related to the weight of controlled substances found in water pipes."

The problem came to light in 2008 when a defendant was charged with a first-degree controlled substance offense because they possessed bong water that contained a residue of methamphetamine. Even though the bong water had just a small amount of residue, the mixture's total weight was used to charge the person with the more serious drug offense. The Minnesota Supreme Court ruled last year the charge was appropriate under the current definition of mixture.

Supporters said current law allows small-time drug users to be punished as major dealers.

HF2757/SF3145\*/CH367

— M. COOK

### No expunging offender records

Rep. Bobby Joe Champion (DFL-Mpls) and Sen. Ron Latz (DFL-St. Louis Park) sponsored a bill that would have let a prosecutor evaluate a first-time, low-level property or drug offender to determine if they should be presented an opportunity to participate in a diversion program that would lead to a record expungement.

If the offender were to complete terms of a diversion program or stay of adjudication agreed to by the prosecutor, and was not charged with a new crime for at least one year after completing the diversion program or stay of adjudication, he or she would have had their case dismissed. The bill would not have

applied to felony-level crimes of violence.

However, Gov. Tim Pawlenty vetoed it, saying expungement of a criminal record should only be an "extraordinary remedy."

"Perhaps the most fundamental obligation of state government is the safeguarding of its citizens, especially against the harm posed by criminal predation," he wrote in his veto letter. "Our criminal justice system rightly imposes punishment on those who wrongfully harm others, while also recognizing the value of individual redemption."

The record could have been sealed by the court without filing a petition "unless it determines that the interests of the public and public safety in keeping the record public outweigh the disadvantages to the subject of the record in not sealing it." A prosecutor would have had to make a good-faith effort to inform victims of the crime about the agreement and give them an opportunity to object.

For sentencing purposes of a future crime, prosecutors or probation officers would have had access to the expunged record without a court order.

Supporters said the bill would help offenders who commit an innocuous crime find a road back to becoming positive, responsible residents of the community.

Champion said the bill was the result of two years of work by the Minnesota county attorneys and defense attorneys associations, Hennepin and Ramsey counties, the Council on Crime and Justice and "a number of other key stakeholders." He said law enforcement officials were neutral on the bill.

HF891/SF560\*/CH381

— M. COOK

## ENVIRONMENT

### Aquifer restrictions vetoed

Businesses or industries that consume large amounts of water would have been restricted from tapping into the Mt. Simon-Hinckley aquifer unless there were no feasible alternative.

Gov. Tim Pawlenty said in his veto letter, "The enhanced water use restrictions ... are a significant obstacle to business expansion within the area served by the aquifer and are unnecessary given the current regulatory scheme, which is sufficient."

Sponsored by Rep. Jeremy Kalin (DFL-North Branch) and Sen. Rick Olseen (DFL-Harris), the bill also would have allowed the state to issue a permit for a biofuel or agricultural processing facility to use the

aquifer for nondomestic use if there is no feasible or practical alternatives.

HF2634/SF2185\*/CH341

— S. HEGARTY

## GAME & FISH

### Big fish law — One that got away

After nine years of attempts, the House and Senate passed a provision to allow anglers to fish using two lines during the open water period, but a veto of the omnibus game and fish bill means the big fish law got away, again.

Anglers would have been required to purchase a \$10 stamp and agree to take half the limit of fish. Rep. David Dill (DFL-Crane Lake) said the provision was a "huge conservation move." The new stamp was expected to bring in \$700,000 in new revenue in fiscal year 2011 and \$2.3 million in the next biennium, but Gov. Tim Pawlenty said there was no "evidence to support this belief."

Pawlenty called the bill "legislative overreach" and contrary to the Department of Natural Resources recommendations. He pointed to an example of special fishing regulations proposed on the Rum and Mississippi rivers as "legislative carve-out" and unsound rationale for restricting fishing on Lake Florida. Additional fishing restrictions for Fish Lake Reservoir, inserted at the request of Sen. Satveer Chaudhary (DFL-Fridley), may have been improper, according to Pawlenty.

The governor directed the DNR commissioner to seek federal funding for a proposed public walk-in hunting access program that would have used up to \$1.4 million from the game and fish fund to pay farmers for hunting access to their properties.

"One of the things that we hear from our constituents, our hunters, is that they are continually finding access, particularly in the agricultural zones, more difficult to obtain from landowners," Dill said prior to the veto.

In lieu of the vetoed law, the DNR was instructed by Pawlenty to use its administrative powers to sell several parcels of public land.

Other provisions in the vetoed law would have allowed free fishing for children under age 18, free daily entrance for veterans to state parks and would have allowed counties to adopt a bounty on the taking of coyotes.

HF3124/SF2900\*/CH390

— S. HEGARTY

## HEALTH

### Domestic partner provision vetoed

Gov. Tim Pawlenty vetoed a bill that would have given partners in same-sex relationships authority over each other's remains after death.

Sponsored by Rep. Erin Murphy (DFL-St. Paul) and Sen. Yvonne Prettner Solon (DFL-Duluth), the bill would have also defined "domestic partners" and allowed them to file wrongful death claims in the same way as heterosexual couples.

In his veto message, Pawlenty said the bill addressed "a non-existent problem," as current law allows someone to draft a will to dictate who may control his or her remains and estate.

The governor also opposed the bill's positioning of domestic partnerships as the equivalent of marriage.

"Marriage — defined as between a man and woman — should remain elevated in our society at a special level, as it traditionally has been," he wrote.

HF454/SF341\*/CH355

— L. RADOMSKI

## HUMAN SERVICES

### HHS budget bill vetoed

Gov. Tim Pawlenty vetoed the omnibus health and human services budget bill less than a week before agreeing to some of its provisions in another law.

Sponsored by Rep. Thomas Huntley (DFL-Duluth) and Sen. Linda Berglin (DFL-Mpls), the vetoed bill would have reduced General Fund health and human services spending by \$114 million in the current biennium through a combination of cuts, transfers and new revenue. It contained a proposal to broaden eligibility for the state's Medicaid program, a move heavily favored by DFL leadership. They said low-income adults could be better served on the Medicaid program than on General Assistance Medical Care, which will operate at a lower funding level beginning this summer.

The bill also included rate cuts to some health care providers, reductions in mental health spending and appropriations for some State Operated Services facilities slated for closure.

In his veto letter, Pawlenty voiced his opposition to proposed surcharges that would have been used to help capture federal dollars.

"The surcharges on hospitals, insurance companies and group homes will increase health care costs," he wrote. "I will not sign a bill that moves in that misguided direction."

Pawlenty was also critical of the bill's deficit

## A LITTLE SUNSHINE



PHOTO BY ANDREW VONBANK

**Lobbyists Elizabeth Wefel, left, and Wendy Underwood enjoy a ray of sunshine under the Capitol dome May 16.**

reduction targets, saying they may not go far enough to help address the current deficit or the projected shortfall in fiscal years 2012-2013.

He also rejected claims that the new GAMC program is destined for failure. Recent negotiations with four Twin Cities hospitals about their participation in GAMC "proves that this program can and will work," Pawlenty wrote.

Much of the health and human services

budget bill was later included in SSHF1\*/SSSF1, which excludes the surcharges and gives Pawlenty and his successor the option of modifying the Medicaid program.

HF2614\*/SF2337/CH360

— L. RADOMSKI

### PACE funding, rate increase vetoed

Gov. Tim Pawlenty vetoed a bill that would have increased funding for some nursing



homes and senior services, saying a balanced budget needed to come first.

Sponsored by Rep. Lyle Koenen (DFL-Clara City) and Sen. Gary Kubly (DFL-Granite Falls), the bill would have allowed publicly owned nursing homes to apply for higher operating payment rates from the state if the local government entity agreed to pay a specified portion of the nonfederal share of Medical Assistance costs.

It would have also removed a provision in current law that requires the Department of Human Services to wait until receiving grant money to implement Program of All-inclusive Care for the Elderly, services designed to keep seniors in their homes. A PACE appropriation from the General Fund would have been accompanied by cuts to community service development grants.

In his veto message, Pawlenty said that while he was “mindful of the underlying value” of the PACE program, he was hesitant to free up money that might be needed for non-transferrable cuts before the end of the legislative session.

A modified PACE provision later passed as part of SSHF1\*/SSSF1, the budget balancing bill.

HF3571/SF3019\*/CH353

— L. RADOMSKI

## SAFETY

### No juvenile records reform

Gov. Tim Pawlenty vetoed a plan to expunge certain juvenile records and potentially waive certain juvenile criminal histories that can be barriers to employment as an adult.

One provision of the bill would have permitted a petition to be brought forth to seal “any type of delinquency or criminal record relating to a juvenile matter” if the person had

successfully completed terms of a diversion program or stay of adjudication agreed to by a prosecutor and had not been charged with a new crime for at least a year. It would not have applied if the youth was certified as an adult for his or her criminal action.

“Expungements should remain an extraordinary remedy,” Pawlenty wrote in his veto letter. “These changes to the expungement law would allow persons to receive expungements for very serious crimes (such as crimes requiring registration under the predatory offender registration statute).”

Also under the bill, the Department of Human Services commissioner would have to consider granting a set-aside or variance to someone at least age 21 who is disqualified from working in the human services area for specific crimes they committed while the person was under age 18.

Rep. John Lesch (DFL-St. Paul), who sponsors the bill with Sen. Mee Moua (DFL-St. Paul), said it would help people who did “a dumb thing” as a youth, and want to work in a field where DHS licensure is required. Opponents said juveniles who committed violent crimes shouldn’t get the chance to care for others most in need.

“Changing these provisions takes the state backwards, by permitting people with the most serious criminal histories to work directly with children and vulnerable adults in licensed settings and unlicensed personal care attendant situations,” Pawlenty wrote.

The bill also would have required a court to order a chemical health screening when a child is found to be delinquent. A referral would have been required in consultation with the child’s family if the screening indicated a need for a chemical use assessment.

HF3382/SF2790\*/CH335

— M. COOK

## STATE GOVERNMENT

### Whistleblower protection rejected

Some state employees would have been protected by whistleblower protection laws under a bill vetoed by the governor.

Sponsored by Rep. Diane Loeffler (DFL-Mpls) and Sen. Mary Olson (DFL-Bemidji), the bill would have given state employees protection for providing timely, objective information while maintaining “confidentiality of budget or policy discussions with a member of the legislature or the member’s staff person.”

The bill would have added protection for a classified employee who “communicates information that the employee, in good faith, believes to be truthful and accurate,” to legislators, the legislative auditor or a constitutional officer.

In his veto letter, Gov. Tim Pawlenty said the bill “may violate separation of powers between the Legislative and Executive branches,” and is “in direct conflict with the ability of an agency to direct and manage its employees.”

Loeffler said there has been a growing perception that “a member of the state agency is a member of the ‘executive team,’ as opposed to the ‘legislative team,’ and there is some act of disloyalty in helping us with our information.”

Loeffler said she’s called for information and had state agency staff tell her, “I’m not allowed to talk to legislators.” Sometimes it has taken weeks to get information that would have been relevant weeks earlier for a committee hearing, she added.

HF1531/SF271\*/CH345

— P. OSTBERG

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## TAX PROTEST



PHOTO BY ANDREW VONBANK

Members of Minnesota’s faith, labor and nonprofit organizations rally for fair taxes May 13 in front of the House Chamber.



## Group would have examined expenses

A new commission, council and task force would have been charged with ensuring the state gets the most bang for every public dollar spent, but Gov. Tim Pawlenty vetoed the bill.

Sponsored by Rep. Paul Marquart (DFL-Dilworth) and Senate President James Metzen (DFL-South St. Paul), the bill would have created a charter commission for Benton, Stearns and Sherburne counties, the Minnovation Council and a Task Force for Policy Innovation and Research. A Commission on Service Innovation, included in the bill, was included in the omnibus state government finance law (HF3449/3134\*/CH392).

Marquart said the state is expected to continue facing budget deficits and the two “usual suspects” for solving budget dilemmas — raising taxes or cutting spending — will not fix all of the problems.

The Minnovation Council would have accepted waivers from local government units and nonprofit organizations, accepted applications for grants to local units of government for consolidation plans, made legislative recommendations for the authorization of pilot projects and the elimination of state mandates that inhibit efficiency. The council was to make an effort to “obtain \$3 in savings and show increased value to the taxpayer for each net state dollar spent by the council.”

“The Minnovation Council’s composition and duties are troubling and raise constitutional and practical concerns,” Pawlenty wrote in his veto letter, adding that the ability of appointed non-governmental members to grant waivers would be unaccountable to state residents. “The process improperly outsources power

delegated to the executive and legislative branches.”

Additionally, only one member of the council would have been from the private sector, which Pawlenty considers “the core of innovation.”

Upon approval by at least two of the three counties, a county home rule charter commission for Benton, Stearns and Sherburne counties would have been created and held at least one public hearing on reports considering various methods of consolidating county government functions and departments. The final charter decision would have gone to the counties for voter approval at a general election.

The 15-member Task Force for Policy Innovation and Research would have considered methods to best provide the Legislature with “high quality, rigorous public policy research regarding issues and topics of concern.” A process for the topic selection, methods for conducting research and for funding the policy innovation initiative would have been submitted to the Legislature.

HF2227\*/SF1880/CH398

— P. OSTBERG

## TRANSPORTATION

### Indemnification clause vetoed

The Minnesota Trucking Association supported a bill to prohibit one-way indemnification clauses in contracts, but Gov. Tim Pawlenty vetoed the bill.

The association asked for the legislation because shippers are increasingly requiring carriers to sign freight-hauling contracts that include total indemnification clauses that relieve the shipper of all liability, even in cases of the shipper’s own negligence.

In his veto letter, Pawlenty wrote, “Private parties should be able to negotiate contracts free from governmental interference, especially where the parties are sophisticated and the bargaining power between them is not egregiously tilted in favor of one.”

Rep. Terry Morrow (DFL-St. Peter) and Sen. Steve Murphy (DFL-Red Wing) sponsor the bill.

HF3117/SF2469\*/CH387

— S. HEGARTY

### Vehicle definition change

Gov. Tim Pawlenty vetoed legislation that would have clarified the statutory definition of “motor vehicle.”

Sponsored by Rep. Mary Liz Holberg (R-Lakeville) and Sen. Don Betzold (DFL-Fridley), the bill would have added a cross-reference to a statute that deals with accidents involving vehicles being driven by someone other than the owner. Such an individual is called an “agent of the owner.”

Under the provisions, the definition of “motor vehicle” in regard to an agent of the owner would have been identical to the definition in the state’s no-fault automobile insurance law.

In his veto message, Pawlenty wrote that the revised definition would have included the trailer in a semi-tractor trailer as a “motor vehicle.” This would have made the owner of the trailer liable for the driver’s negligence in case of an accident. The governor argued that trailer owners “have little or no control over the driver and therefore should not be held responsible for their negligent acts.”

HF127/SF251\*/CH386

— N. BUSSE

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# RIP: Bills that didn't make it

Some die quietly, others go out with a bang

By KRIS BERGGREN

**S**ome bills die a quiet death in a committee; others do not go gently into the night, instead prompting one-vote defeats or rousing floor debate. The following dead bills may rest in peace forever — or may be resurrected in the years to come.

## Amendment on judicial elections

**HF224**, sponsored by Rep. Steve Simon (DFL-St. Louis Park), would have changed how judges retain their seats on the bench, through an amendment to the state constitution. Judges would have initially been appointed by the governor, then subject to a vote after one term.

**Fate:** Passed as amended by the House State and Local Government Operations Reform, Technology and Elections Committee, but did not receive a hearing in the House Civil Justice Committee.

**Companion:** SF70, sponsored by Sen. Ann Rest (DFL-New Hope), did not receive a vote by the full Senate.

## School board authority to extend levy

**HF3063**, sponsored by Rep. Jerry Newton (DFL-Coon Rapids), would have provided school boards limited authority to extend expiring operating levy referendum by written resolution without voter approval. Education groups supported the measure that could have stabilized local funding and saved school districts the cost of running a referendum campaign.

**Fate:** Included in K-12 omnibus bill that died.

**Companion:** SF2769, sponsored by Sen. Don Betzold (DFL-Fridley), was laid over by the Senate E-12 Education Budget and Policy Division for possible omnibus bill inclusion.

## Alternative teacher licensure

**HF3093**, sponsored by Rep. Carlos Mariani (DFL-St. Paul), would have allowed a limited two-year teaching license for candidates such as Teach for America members who have a bachelor's degree and meet other criteria. TFA members now must seek an annual license waiver from the Board of Teaching.

**Fate:** Voted down on the House floor as an amendment to K-12 omnibus bill.

**Companion:** SF2811, sponsored by Sen. Terri Bonoff (DFL-Minnetonka), was included in SF2757, which was recommended to pass by the Senate Education Committee, but was not acted upon by the Senate E-12 Education Budget and Policy Division.

## Lifting nuclear power plant ban

**HF3009/SF2971\***, sponsored by Rep. Bill Hilty (DFL-Finlayson) and Sen. Yvonne Prettner Solon (DFL-Duluth), would have lifted the moratorium on building new nuclear power plants. It would have allowed the Public Utilities Commission to issue a certificate of need, but the provision would come with strings attached that had nuclear power supporters opposing the bill.

**Fate:** Died in conference committee.

## Gun shows background checks

**HF2960**, sponsored by Rep. Michael Paymar (DFL-St. Paul), would have prohibited the sale

of a firearm at a gun show without conducting a background check on the buyer.

**Fate:** Was defeated 5-3 by the House Crime Victims/Criminal Records Division.

**Companion:** SF2659, sponsored by Sen. D. Scott Dibble (DFL-Mpls), was not acted upon by the Senate Judiciary Committee.

## Vikings stadium funding

**HF3825**, sponsored by Rep. Loren Solberg (DFL-Grand Rapids), offered a plan to help fund a new Minnesota Vikings stadium, including Metropolitan Council revenue bonds backed by a team contribution; Minneapolis hospitality tax revenues paying off the city's convention center debt until 2020 then going toward a stadium; a lottery game; and sales taxes on team jerseys and hotel stays.


**Fate:** House State and Local Government Operations Reform, Technology and Elections Committee voted no, 10-9.

**Companion:** SF3399, sponsored by Sen. Tom Bakk (DFL-Cook), was approved by the Senate State and Local Government Operations and Oversight Committee, but was awaiting action by the Senate Finance Committee.

## Healthier ice rink air quality

**HF3512**, sponsored by Rep. Rick Hansen (DFL-South St. Paul), would have encouraged the Minnesota Amateur Sports Commission to consider how to improve air quality in indoor ice arenas, and directed the Health Department to boost rulemaking and legislative reporting on air quality inspections, violations and enforcement.

**Fate:** Made it to the House floor, but was not voted upon.

**Companion:** SF3175, sponsored by Sen. Ellen Anderson (DFL-St. Paul), was recommended to pass by two committees, but was not heard by the Senate Finance Committee. 

# Art of compromise is the heart of politics

Bipartisan teamwork builds better bills

BY KRIS BERGGREN, SUE HEGARTY,  
PATTY OSTBERG AND LAUREN RADOMSKI

**T**he House chamber can be a stage for public displays of disaffection as end-of-session pressure builds — grandstanding, sniping at opponents, making accusations, shouting, telling heart-wrenching stories, even tearing up from fatigue, emotion or both.

What happens in the public eye, however, doesn't tell the whole story of how laws are created. Behind the scenes, lawmakers tend to ease up on the posturing. They know the

art of compromise is the heart of politics.

Whether they're political "frenemies" or real friends with divergent approaches to solving the state's problems, finding common

ground is key to making laws that work, say lawmakers, and so is having personalities that click despite political differences.

During a meeting over coffee and muffins after the 2009 session, Rep. Matt Dean (R-Dellwood) and Rep. Erin Murphy (DFL-St. Paul) began to chip away at resolving the huge problem of funding health care for the poor, particularly the 34,000 covered by General Assistance Medical Care.

"He's funny, so we didn't talk a lot of politics. We just got to know each other," Murphy said.

Murphy, a nurse, learned Dean's wife is a doctor. They also discovered they had both lived in St. Paul's Macalester-Groveland neighborhood.

Dean and Murphy, who had not collaborated



PHOTO BY ANDREW VONBANK

In a bi-partisan gesture, Rep. Marsha Swails, *left*, and Rep. Carol McFarlane, *right*, give each other a "high five" after the conclusion of a May 3 conference committee that meant the completion of a bill the two co-authored that would establish a collaborative governance council.



before on legislation, agreed their work would be policy-focused, nonpartisan and geared toward a bill the governor would sign. Both knew neither person would be entirely happy with the outcome.

Dean believes people are tired of one party pushing through legislation that prompts overrides, lawsuits or unallotments.

"I think they like divided government that doesn't necessarily work great for either side," he said.

Less controversial bills also benefit from bipartisan support. Rep. Kim Norton (DFL-Rochester) teamed up with Rep. Bob Dettmer (R-Forest Lake) to promote statewide

K-12 physical education standards they say are a win-win for schools, students and even the state's long-term health. They say research links participation in fitness activities with better standardized test performance and fewer behavioral problems.

HF3115, sponsored by Norton, would require the state to adopt such standards. Dettmer sponsored a similar bill three years ago when Republicans were in the majority. "When both of us can come to the table and work our own caucuses, that ultimately benefits the kids," said Norton.

"We both have a real interest in promoting fitness," said Dettmer, a physical education teacher and U.S. Army fitness trainer, adding that having the standards will help the state qualify for some federal grants it's now leaving on the table.

The two put in some sweat equity last summer, co-chairing a task force on childhood obesity with Sen. Terri Bonoff (DFL-Minnetonka), who sponsors the companion, SF2753. The bill was amended May 16 into a health care law signed May 25 by Gov. Tim Pawlenty, HF3055/SF2908\*, sponsored by Rep. Paul Thissen (DFL-Mpls) and Sen. John Doll (DFL-Burnsville).

### Sharing common ground

Another pair of lawmakers may be politically polarized but they're linked quite literally by common ground.

Rep. Frank Hornstein (DFL-Mpls) and Rep. Mary Liz Holberg (R-Lakeville) collaborated on a bus rapid transit bill for Interstate 35W, the roadway connecting their communities, at the start of his legislative career in 2003.

Holberg gave Hornstein a tour of her district and convinced him to dust off copies of transit studies rather than seek to spend thousands of dollars on a new study. After a series of successful meetings, the pair put together a plan

to deal with traffic congestion along the corridor.

"Rep. Holberg and I disagree on fundamental issues, but we're able to maintain a very friendly and respectful relationship,"

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***"Rep. Holberg and I disagree on fundamental issues, but we're able to maintain a very friendly and respectful relationship."***

— Rep. Frank Hornstein  
DFL-Minneapolis

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Hornstein said.

Holberg credits their success to focusing on getting things done for the common good. "It's more about personalities, not what party you're from. We can agree to disagree on a lot of issues," Holberg said. "He was willing to look at cost-effective options."

"There are so many different divides here — fault-lines in the Legislature that need to be overcome. I think it's as old as the state itself. It's not going to simply go away. But, I think we can temper the polarization by investing in some intentional relationship building,"

Hornstein said.

However, the relationships themselves occasionally cause concern, say Reps. Marsha Swails

(DFL-Woodbury) and Carol McFarlane (R-White Bear Lake). Although each is a proud member of her party, they say some in their caucuses are skeptical they're so chummy.

"We like being seen together because we know it drives everyone a bit crazy," said Swails, who grew up in a Republican family, before switching to the DFL party later in life. "But I also know that there's lots more that unites us than divides us."

The two made several trips around the

state to visit shared service cooperatives doing the work they're promoting in HF2840/SF2511\*/CH319, sponsored by Swails and Sen. Ann Rest (DFL-New Hope). Signed by Gov. Tim Pawlenty, it establishes a collaborative governance council to recommend ways local government units can combine administrative services, purchasing, programs and technology in order to save money and maintain access to resources.

Former Senate Majority Leader Roger Moe, now a lobbyist, lauds the pair as a model of the kind of collaborative governance they advocate.

"They recognize that both of them bring something to this effort. They basically capture the best ideas of everybody in what is a more collaborative style and a more inclusive style (which) generally gives a longer standing to policy that's worked out," he said. "The more fingerprints on the results, the longer lasting they are."

The women agree the road trips cemented a friendship that began when they sat next to each other during new member orientation in 2006. Along the way they shared stories of their grandchildren (Swails has two, McFarlane four); saw new parts of the state; and even played bingo at a motel restaurant they chose over an expensive resort where a conference was being held.

McFarlane says some people are surprised "a pair of grandmas" put together a bill that

has united unions and management groups in support.

"Marsha and I have been able to allow conversation that sometimes doesn't happen in this environment," said McFarlane.

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***"It's more about personalities, not what party you're from. We can agree to disagree on a lot of issues."***

— Rep. Mary Liz Holberg  
R-Lakeville

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She said that's partly because they see what's good for the whole state, not just the party or some groups.

That attitude could help in the coming years, when bipartisanship may be needed most, Dean said, as the state's mounting deficit forces future lawmakers to consider reforms to service delivery across all areas.

"The decisions aren't going to get easier. They're going to get harder," he said. 🐾

# Members sa

Photos by Tom Olmscheid



Rep. Cy Thao, right.



Rep. Dan Severson, right.



Rep. Jeremy Kalin, right.



Rep. Karla Bigham.

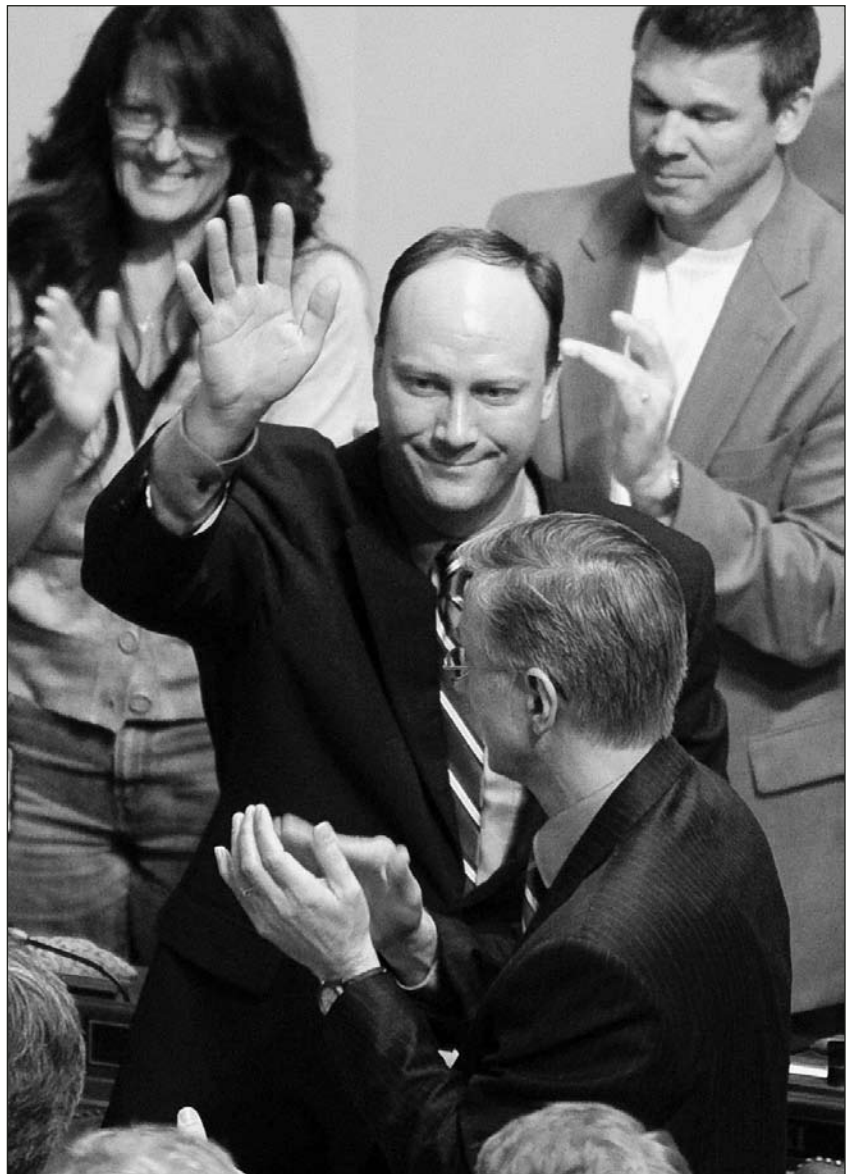


Rep. Randy Demmer.



# ay farewell

and Andrew VonBank



Rep. Marty Seifert, center.

Throughout the closing weeks of session, Session Weekly has provided "Stepping Down" profiles of the members pictured. On the following pages are profiles of more members who have announced their intentions not to seek their House seat.

As filings for the various state constitutional spots and legislative seats closed June 1, others announced their political intentions. Rep. Roger Reinert (DFL-Duluth) will not seek his House seat, but will run for the Senate seat vacated by Sen. Yvonne Prettner Solon (DFL-Duluth). She has been picked for the lieutenant governor spot, filling out the ticket for former U.S. Sen. Mark Dayton's bid for governor.



Rep. Rob Eastlund, left.



# Reformer at heart

Brod walking away from the Legislature, but will keep putting out new ideas

By PATTY OSTBERG

Rep. Laura Brod's (R-New Prague) stepping down speech in the last hours of session wasn't a tearful goodbye, but more of a light-hearted "See ya' around." While Brod hasn't said specifically what her future plans entail, it's clear she'll still be working on government issues.

"I keep telling people I came into the Legislature to make a difference, but I'm leaving the Legislature to make a difference," she said. "I'm not retiring. I'm just not running for my seat again."

The time has come for her to reposition her career and move in a different direction, she said. "I'll be planning to stay involved in public policy. I'm planning on being involved on a variety of levels."

During her eight years in the House, she wouldn't back away from heated debate on controversial legislation. She calls herself a reformer at heart. "I've put new ideas on the table. I've tried to find ways to do things differently. I've asked the question, 'Why?' Why do we do what we do in government? Could we do it better? I think asking the question and looking at things from a different lens is something I've added to the process."

She's walking away from being an elected official with a real sense of challenge and hope. Too often the Legislature looks at things with the lens of "this is what we do and this is how we do it," she said. "I think that need to

reform has become crystal clear to me, and the path to reform is just that there's way too many people tied into the status quo and we've gotta start breaking down those doors."

Government as a whole needs a fundamental change on how it operates, she said. "I think the time is absolutely right for the Legislature on a bipartisan basis to move forward with some strong and meaningful reform."

The Republican lead on the House Taxes Committee, Brod says substantive, issue-based, policy reforms, like the state's tax code, need an overhaul. "We have a tax code that is based on the economy of the past and we need a tax code that's based on the economy of the future. ...

There is not a need to nibble around the edges, there is a need to fundamentally restructure."

Health care is another reform issue where she still sees work needing to be done. Brod served on both the health policy and finance committees this year.

"We focus so much on who pays, but we don't really look at how we can deliver health care in a different way," she said, adding that the country and state's overall demographic trends are going to drive the need to focus spending and force government to do things differently.

Too often the legislative process focuses "in two-year snippets of time that align with the budget cycle or election cycle, and we need to think bigger than that," she said. "Ideas matter a lot, but beyond ideas, results matter too."

One of the biggest changes she's noticed since first being elected in 2002 is the "sense of a means to an end — that it's OK to do 'X' if it means we get 'Y.'"

"Rules matter; and they matter because they protect the minority," Brod said. "We need to make sure that we're always keeping the rules and the process such that it protects the voices of the people who are not necessarily wielding the gavel."

Overall, Brod has enjoyed her time as a legislator whether it was agreeing or disagreeing with people. "It has been a remarkable privilege for me and I don't regret one moment of it. And I look forward to continuing to be involved in public policy and I keep telling everybody, I'm not gone for good."



PHOTO BY KRISTIN SCHUE

Rep. Laura Brod plans to stay involved in public policy, but not as a member of the House.

## STEPPING DOWN

Rep. Laura Brod  
Republican  
District 25A - New Prague  
Terms: 4 (elected 2002)  
Advice to successor: "Don't assume you know. Ask lots of questions and don't accept 'because' as an answer."

# One more goal in his playbook

Emmer leaving House in hopes of scoring the state's top job

By SUE HEGARTY

After scoring a hat trick — a skilled hockey player, family man and state representative — Rep. Tom Emmer (R-Delano) is chasing one more goal: he's vacating his House seat to run for governor.

Emmer views his legislative career as a team effort and a familiar play taken from life's playbook.

"I'm probably just like every other person who's born and raised in Minnesota. You're just trained to give back, you know. People who gave

to you set the example, and one day you find yourself coaching your kids' T-ball teams, and the next day you're sitting on a church finance council, and before you know it, you're on a city council and then somebody says, 'You know, you should run for the Minnesota House of Representatives,' and you're dumb enough to think it's a part-time job."

He shares another Minnesota virtue — a passion for hockey. He played a year of U.S. Junior Olympic hockey in Boston before returning home to help with the family lumber business. That's when he met his wife, Jacquie. The couple has raised one daughter and six sons, currently between the ages of 8 and 20, in Delano, a community he describes as "on the cusp of the metro."

When he was first elected to represent District 19B in 2004, Republicans held the majority in the House. He said it was a period of fewer committee hearings and "family-friendly" hours that enabled him to arrive at the Capitol around 5:30 a.m. and leave at 7 p.m. so he could coach hockey until 10:30 p.m. almost every night through March.

"You decide what level of involvement you want to have. For me, you're either all in or you're all out, so I've pretty much been all in."

One of the first bills he sponsored was a county border issue. The City of Rockford, largely in Wright County, had an isolated neighborhood in Hennepin County. To increase response times for emergency services such as

fire and police, the county border was moved so that the neighborhood could receive Wright County services.

He has sponsored many bills since then, including judicial topics. "I did learn very quickly that it's territorial around here. I was told privately that the judicial branch will take care of its own stuff."

Working at the Legislature is not that different from working in the private sector, he said. "It's all about relationships. You need to know the rules; you need to understand the process; then you just need to apply your interpersonal communications skills to building relationships so you can get things done."

There isn't one piece of legislation that defines his work; rather, it was being consistent and keeping his word.

"What I'm most proud of is that I've been true to what I've told my constituents that I would do; I have voted the way they expect me to.

He makes no apologies for his sometimes rigorous stance on the issues.

"We're supposed to be allowed to debate aggressively."

But like the end of a hotly contested game, "You need to be willing to walk across the aisle and shake somebody's hand and get them to recognize that, 'You know what, I'm just a human being like you.' It's up to you to take the initiative, to go and get to know someone and understand what drives them, what motivates them," he said. 🏒



PHOTO BY TOM OLMSCHIED

Rep. Tom Emmer is vacating his House seat and running for governor.

## STEPPING DOWN

Rep. Tom Emmer  
Republican  
District 19B - Delano  
Terms: 3 (elected 2004)

Advice to successor: "Just remember, it's all about serving. Learn the rules, read the bills, answer your constituents and when it's time, go home."



# Retiring from public service — again

After helping others for 48 years, Haws to focus on family needs

By LAUREN RADOMSKI

When Rep. Larry Haws (DFL-St. Cloud) took to the House floor May 16, he offered an explanation as to why he'd waited until the last night of session to announce he would not seek re-election.

"One of the reasons that I would do it this way is I have no resistance to my friends trying to talk me out of things," he said.

Haws, a former Stearns County commissioner who was elected to the House in 2005, said his family is going through "some serious health challenges."

"This is an honorable place to serve, but when your family has a need, that's God's work and I'm going to do God's work," he said. "Thanks for allowing me to serve with you."

A former teacher and longtime coach, Haws has served the St. Cloud area in different capacities for most of his life. He spent 32 years in the St. Cloud Park Department — including 17 as director — an experience that put him in touch with many different community groups. Over the years he recruited 2,000 volunteers annually and garnered \$8.4 million in donations, resources that were particularly helpful in difficult budget years.

Haws was approached by the DFL, Republican and Independence parties to run for a House seat when former Rep. Joe Opatz stepped down. He decided the policies of the DFL were the best fit with his views, which he's never kept secret.

"Everybody in town knows me and they already know my opinions," he said.

Haws said he is proud of his collaboration with Gov. Tim Pawlenty and Rep. Dan Severson (R-Sauk Rapids) in 2007 to pass a major veterans benefits bill. Haws had committed to working

on behalf of veterans after coaching children who later served in Vietnam as adults. He'd also worked on veterans issues during his eight years as a county commissioner.

As was the case with the veterans bill, Haws has worked closely with lawmakers who hold very different opinions from him on many topics. The key to success has been to focus on a shared goal.

"That policy or project or program is much more important than the area in which you conflict," he said.

Haws is also proud of his sponsorship of parks legislation that benefitted rural regional parks and earned him recognition from The Trust for Public Land, a national land conservation organization. He's also

been recognized by fellow lawmakers, who nominated him for "Legislator of the Year" three times.

Haws has observed that it takes much longer for constituents to feel the effects of legislation than it does a decision by a city council or county board. At the local level, a decision can be made on Monday, with feedback to decision-makers by Wednesday, and a change to the policy on Friday, Haws said. On the other hand, it may take months to correct a law that was poorly thought out or has an unintended consequence.

That makes communication with constituents especially important, Haws said. He's been diligent in that respect.

"It would not be unusual for me to have 100 contacts (with constituents) in a given week," he said.

Haws said he's thankful for the friendship of fellow lawmakers and the guidance of House staff. A member of two-dozen St. Cloud area boards, he expects to stay busy serving his community — he just won't be doing it at the Capitol.

"I don't think my life is going to change a lot," he said, adding his calendar is already pretty full.

Haws is also looking forward to working on his family's organic farmers market and coaching his grandchildren in soccer and running.

"I've been a public servant for 48 years, I've retired three times and every one of them was terrific," he said. 🙏



PHOTO BY TOM OLMSCHIED

**Rep. Larry Haws is proud of his collaboration to pass a major veterans benefit bill.**

## STEPPING DOWN

Rep. Larry Haws  
DFL  
District 15B - St. Cloud  
Terms: 3 (elected 2005 special election)  
Advice to successor: "Try to vote on what you think is right and do research on the bills you're voting on."



# Fulfilling her 'deal'

Kelliher leaving House after a dozen years, maybe not the Capitol

By LAUREN RADOMSKI

House Speaker Margaret Anderson Kelliher (DFL-Mpls) still remembers the looks she got while door knocking in her district in the late-1990s. Kelliher, then 29 and the mother of two young children, was seeking the seat held by retiring Rep. Dee Long, the first female Speaker of the House.

"How in the world are you ever going to fill her shoes?" Kelliher recalls being asked. "And so I would say, 'I'm going to bring my own pair of shoes.' And that's exactly what I've done."

After a dozen years in the House, four of them as speaker, Kelliher is ready to end her legislative career. She says she made a "deal" of sorts with her husband around the start of her first term in 1998: she would re-evaluate what she was doing after 10 years. Her election to the position of speaker prompted her to stay a bit longer than she'd originally anticipated.

"I, more or less, decided after the last election that this would be my last two years," Kelliher said. She says it was a choice she made before deciding to run for governor.

A Mankato-area native and former legislative aide, Kelliher said she ran for office because she was interested in "helping people through the maze of government when they get stuck." Named "Freshman Legislator of the Year," Kelliher initially served on transportation and environmental policy committees. In 2000, she led the effort to override then-Gov. Jesse Ventura's veto of funding for a new Guthrie Theater in Minneapolis. After their first attempt failed, Kelliher and Rep. Greg Davids (R-Preston) made a second, successful attempt

later the same day. Kelliher said the experience was "a lesson in coalition-building."

She is also proud of her involvement in overriding Gov. Tim Pawlenty's veto of transportation spending in 2008. The law legislators passed raised the state's gas tax to pay for millions of dollars in road and bridge projects. It came in the wake of the Interstate 35W bridge collapse, what Kelliher calls "the visible sign of disinvestment in our state."

Kelliher also lists the passage of renewable

energy standards and the outdoors/arts constitutional amendment as highlights of her legislative career. Both, she said, will have a generational impact.

Other memorable experiences have been more personal. Kelliher and Rep. Ann Lenczewski (DFL-Bloomington) have had a long-standing tradition of meeting for dinner one night near the end of session.

Another of Kelliher's end-of-session traditions: bringing her children to visit during the final night, sometimes even to last-minute meetings.

When Kelliher isn't at home, she says she's fortunate her family has the help of her 86-year-old mother, Elaine, who has come to stay with them every legislative session since Kelliher was elected.

"She has been the secret weapon in being able to be here and stay here," Kelliher said.

Kelliher says one of the biggest changes she's seen at the Legislature over the past 12 years is in the way constituents communicate with lawmakers. She gets fewer phone calls than she once did, with most people contacting her by e-mail. Others opt for newer vehicles like Facebook and Twitter.

To the person who serves as the next Speaker of the House, Kelliher offers the same advice that was given to her.

"Make friends with everyone: legislators, Democrats, Republicans, staff members, people who come to advocate," she said. "The second thing is to know the budget. If you know the budget, you can do just about anything for your constituents."



PHOTO BY TOM OLMSCHIED

**House Speaker Margaret Anderson Kelliher lists the passage of renewable energy standards and the outdoors/arts constitutional amendment as highlights of her legislative career.**

## STEPPING DOWN

House Speaker  
Margaret Anderson Kelliher  
DFL  
District 60A - Minneapolis  
Terms: 6 (elected 1998)  
Advice to successor: "Make friends with everyone."

# Excited for a new opportunity

Kohls leaves the House with fond memories, optimism about future

By Nick Busse

On the day Rep. Paul Kohls (R-Victoria) first arrived at the House of Representatives, he remembers feeling a sense of awe at the tremendous responsibility he had been given. Eight years later, the feeling hasn't gone away.

"I still do get a sense of awe when I walk into the chamber, and I'm glad that hasn't left me," he said.

Kohls' emotions are more mixed as he bids that chamber farewell. The four-term lawmaker and one-time gubernatorial candidate announced May 3 that he would not seek re-election. Having recently accepted a position at a financial services company, he said his new job won't accommodate continued service in the Legislature.

"I'm disappointed that I'm not going to be able to run for reelection, which I was planning to do, but I'm really excited about this new opportunity," Kohls said.

His departure marks the exit of a prominent voice in the House's Republican minority. Kohls, who admits to being one of the more vocal conservatives in the body, said he has a passion for both policy and politics. Over the years, he said it's been rewarding to be able to contribute to many of the important policy debates in the House.

"I've been a relatively outspoken member in terms of limiting the size and scope of government, and getting in control on spending," he said.

Kohls said he's been lucky to represent one of the state's most heavily Republican-leaning districts. That said, he's never

taken his constituents for granted. And despite his conservative roots and beliefs, Kohls has made many friends on both sides of the aisle, and said he's come to respect even those with whom he completely disagrees on major issues.

"What I appreciate now maybe more than the day I walked in is that we generally have the same goals," he said.

Kohls said the House is full of "first-rate" people from both parties, all of whom want a better future for Minnesota. His time in the

House has given him a deeper appreciation of the fact that each member is here representing approximately 38,000 people, he said.

"Over the years, I've often sat on the floor and looked around the chamber — looked at the governor give a State of the State, listened to an impassioned debate on the floor — and recognized that I've had the opportunity to be a part of something special," he said.

Kohls is proud of a number of local projects he was able to accomplish for his district, including an expansion of Ridgeview Medical Center, a pedestrian path around Lake Benton and various transportation projects. He's also been successful in passing legislation on statewide issues such as tort reform and identity theft.

As his legislative career winds down, Kohls said he is looking forward to spending more time at home. He feels especially indebted to his wife, Kelly, for supporting his service. The couple has two children, Stanley and Caroline. Kohls said raising a family while serving in the Legislature has been challenging — although no more so than for anyone else with a time-consuming career.

Though he isn't sure whether he'll run for office again someday, Kohls said he knows enough to "never say never." For now, he plans to make the most of his new job opportunity and see where it takes him.

"I leave with really fond memories of the institution and people, and I leave with an enormous amount of gratitude for having had the opportunity," Kohls said, adding, "This is such a special place." 🏛️



PHOTO BY TOM OLMSCHIED

**Rep. Paul Kohls, an "outspoken" Republican, said lawmakers from both parties have the same goals.**

## STEPPING DOWN

Rep. Paul Kohls  
Republican  
District 34A - Victoria  
Terms: 4 (elected 2002)  
Advice to successor: "Don't forget where you come from."



# Agriculture advocate bids adieu

Otremba stepping down after 13 years to focus on family, friends

By LAUREN RADOMSKI

Rep. Mary Ellen Otremba (DFL-Long Prairie) is proud of her reputation as a people-person. The seven-term legislator says she has among the highest number of constituent contacts of anyone in the House.

"That was my job and I was really good with one-on-ones," she said.

Otremba says she will miss those conversations with her constituents and colleagues when she leaves office at the end of her term. She's looking forward, however, to spending more time with her friends and family, particularly her grandchildren.

Otremba was elected to the House in a 1997 special election following the death of her husband, former Rep. Ken Otremba. She remembers a conversation they had shortly before his death in which he asked her "to continue doing what we were doing together."

When Otremba came to St. Paul, one of her daughters, then in grade school, came too. As Otremba homeschooled her daughter, she sought the help of other legislators who had expertise in various fields.

"She had to go to all these people, whether they were Republicans or Democrats," Otremba said.

Rural education and health care have been among her top priorities. In her first term, Otremba sponsored a law that created a program enabling rural hospitals to receive funding to provide public health services. A daughter of a farm family, Otremba is passionate about agriculture issues and served as chair of the House Agriculture, Rural Economies and Veterans Affairs Committee.

She's also been an advocate for children and families, sponsoring bills that would assist low-income households in need of affordable housing and health care. She's also sponsored several bills related to her pro-life stance on abortion.



PHOTO BY ANDREW VONBANK

**Rep. Mary Ellen Otremba, a seven term legislator, says she will miss conversations with her constituents when she leaves office.**

Otremba says a lot has changed since she took office, including an increase in the degree of partisanship. "I was there to take care of the people, not to bash them" — and she predicts the tone may grow worse in light of future budget pressures.

It may be more difficult for legislators to work on behalf of Greater Minnesota, Otremba said, as the Twin Cities metropolitan area grows and rural communities lose residents. Amidst all the challenges, she encourages her successor to remember what the job is about.

"It's really all about people and that's very important," she said.

Otremba said she's looking forward to assisting constituents from Long Prairie over the next several months. She's also using a favorite hobby to instill an appreciation of farm life in

younger generations. Together with a friend, Otremba has sewn more than 20 books for kids, all of them with cotton pages containing text and farm scenes. It's a project that's kept evolving since Otremba made one for her first grandchild about three years ago. 🧵

## STEPPING DOWN

Rep. Mary Ellen Otremba  
DFL  
District 11B - Long Prairie  
Terms: 7 (elected 1997 special election)  
Advice to successor: "It's really all about people."



## A little bit of everything

Omnibus economic development law touches on a wide range of topics

By Nick Busse

**T**he omnibus employment and economic development policy law covers a lot of ground — everything from changes to unemployment insurance benefits to new safety rules at inflatable play parks for children.

Sponsored by Rep. Mike Obermueller (DFL-Eagan) and Sen. David Tomassoni (DFL-Chisholm), the law addresses a range of policies under the jurisdiction of primarily three agencies: the Department of Commerce, the Department of Employment and Economic Development, and the Department of Labor and Industry. Unless otherwise noted, it takes effect Aug. 1, 2010.

Gov. Tim Pawlenty line-item vetoed a pair of provisions dealing with projects in the Iron Range: a \$2 million grant for renewable energy projects and an appropriation for operating room equipment and renovations at the Virginia Regional Medical Center. In his veto message, Pawlenty stated that such provisions need to be vetted and approved by Iron Range Resources.

HF2781/SF2510\*/CH347

### Inflatable play park safety

Indoor amusement parks with inflatable rides can be fun places to take children, but critics say they're dangerous when not properly supervised. The law will boost safety requirements for the facilities. Supporters cite a rash of serious injuries sustained by children who were not being supervised while using the rides.

The law requires that a "trained supervisor" be in close proximity and actively supervising each inflatable ride when in use. Indoor play parks will have to register and be subject to inspection by the Department of Labor and

Industry. The provisions do not apply to companies that rent out inflatable rides for use at parties, carnivals or events.

### Business loans for veterans

Veterans who have served actively in the military since Sept. 11, 2001, will be eligible to apply for an interest-free loan to start a business, under the law. Veterans may apply to DEED for a loan of up to \$20,000. Funding for the loans will come from an existing but underutilized loan program for businesses that suffer economic injury as a result of having an essential employee called to active military service.

### Science authority created

To help boost high-tech business in the state, the law establishes a Minnesota Science and Technology Authority. The job of the state-level group will be to coordinate public and private efforts to fund high-tech research and development initiatives, and develop a "comprehensive science and technology economic development plan" for the state.

The authority will consist of the commissioners of five state agencies, and will be aided by an advisory commission comprised of individuals representing the higher education, business, labor and investment communities. To help kick-start the authority, the law appropriates \$107,000 from money previously appropriated to DEED for other purposes.

### Unemployment changes

The law includes a special extension of unemployment insurance benefits for up to 13 weeks, effective from June 30, 2010, to March 26, 2011. It replaces a special emergency unemployment compensation program from 2009.

Also included are provisions that will guarantee that people who return to work after being on unemployment, only to get laid off a second time, receive a similar level of benefits to what they had before. The law will also extend eligibility for unemployment insurance benefits to some temporary staffing agency workers who choose not to keep taking temp jobs.

### Contractor licensing fees

Many of the licensing fees that plumbers, electricians and dozens of other types of contractors have to pay the state will change, under the new law. In an effort to make the state's licensing system simpler and more transparent, the law reorganizes the fees so that they are tied more closely to the four trade skill levels — entry-level, journey-level, master-level and business-level — and also to the cost the state actually incurs to license them. Some fees will go up, while others will go down; however, there will be no net change in total fee revenues to the state.

### Miscellaneous

- Other provisions included in the law are:
- banning the sale or manufacture of children's jewelry containing cadmium;
  - authorizing a study on the feasibility and impacts of transferring the state's reserves to accounts in small community banks;
  - authorizing a comparative study of state laws regulating small businesses in Minnesota and neighboring states; and
  - regulating appraisal management companies.



# Revenue raiser raises none

Tax reprieve for flood victims, spouses of deceased veterans

By LEE ANN SCHUTZ

**T**ax bills have had a slim-to-none chance of escaping Gov. Tim Pawlenty's veto pen over the years. Void of revenue-raising proposals, this session's omnibus tax law mostly falls into the slim category. All provisions were OK'd, except for three appropriations for local project appropriations which were vetoed.

Among the provisions in the law, sponsored by Rep. Ann Lenczewski (DFL-Bloomington) and Sen. Tom Bakk (DFL-Cook), are tax breaks to those trying to rebuild from flooding and other natural disasters experienced in the last few years.

Otter Tail County will see \$200,000 to compensate for the cost of road and infrastructure repair due to flooding, and the City of St. Charles will see additional state aid for its loss of tax base due to a fire at the city's largest employer.

Most provisions in the law are effective for assessment year 2010, for taxes payable in 2011.

## Property taxes

The new law provides a valuation exclusion for a home where the value has been reduced by at least \$15,000 after a natural disaster; has been restored or rebuilt by the end of the year after the disaster; and has an estimated market value after reconstruction that exceeds its pre-disaster value by at least \$25,000.

Recent laws relating to land assessments of family farms, especially the 2008 Green Acres law, are controversial. At the very least, opponents seek clarification of some of the provisions.

The new law asks the commissioner of revenue to develop a fair and uniform method of determining the average value of

agricultural land in each county to be used for property enrolled in the Green Acres program.

Other provisions include:

- effective for taxes payable in 2011 and thereafter, the market value exclusion will be extended to five years for spouses of deceased veterans and military service members who die while in active service; and spouses of deceased disabled veterans or military service members who die while in active service will qualify for the senior deferral program for the rest of their lives, regardless of age;
- in response to a portion of the tax court's decision in *Sommerdorf v. Sherburne County*, the law broadens eligibility for property used for commercial boarding of horses to qualify for agricultural classification; and
- a 13-member property tax working group is established to investigate ways to simplify the property tax system, to reexamine the property tax calendar and to determine the cost-benefit ratio of the various property tax components. Recommendations are due to the Legislature by Feb. 1, 2012.

## Local authority extended

One way for local units of government to bring in new revenue is through local food and beverage and/or lodging taxes, and also by asking the Legislature for permission to have their residents decide whether bonds should

be let for certain projects.

Local taxing authority approved in the law includes:

- Rochester can issue up to \$43.5 million in general obligation bonds to pay for the Mayo Civic Center Complex project;
- Proctor can increase its bonding authority to pay for a street and community center project from \$3.6 million to \$10 million; and
- Detroit Lakes, Marshall and Biwabik can impose local sales taxes.

## Vetoed items

The governor vetoed three projects, funded at \$100,000 each: development of a carbon-neutral industrial park in Chisago County; preliminary engineering and design for a biomass facility and industrial park improvements for renewable energy development in Princeton; and facility and parking improvements at the Revenue Department's Ely facility.


In his veto letter, Pawlenty said the appropriations were rejected "because the local projects they fund were never vetted through the committee process where the merits of each could be publicly and properly evaluated."

## Other provisions

Tax Increment Financing regulations are somewhat eased by providing local units of government more ability to use the tool for redevelopment purposes. The law also expands short-term borrowing authority for larger watershed districts and authorizes the Metropolitan Council to issue \$34.6 million in bond revenues to fund its transit capital improvement plan.

There are some steps laid out that could lead to tax reform, including a required report of the state tax expenditures. By Feb. 15, 2011, the Revenue Department is to suggest to the Legislature a process for periodic review and a sunset for extension of tax expenditures. The law appropriates \$60,000 in fiscal year 2011 to fund the review.

The Minnesota and Wisconsin revenue departments are to conduct a study of individuals who live in one state and work in the other to develop fair tax reciprocity guidelines. An initial report is due to the Legislature by July 15, 2011.

HF3729\*/SF3327/CH389 

# The year without a K-12 law

School funding is flat, no reforms enacted

By KRIS BERGGREN

**D**iscord over an alternative teacher licensure pathway endorsed by the governor, many Republicans and some DFLers helped kill an omnibus K-12 bill, as well as the possibility of a federal grant that could have brought scarce new funds to Minnesota schools.

Of four omnibus education bills compiled this year, none landed on the governor's desk, each dead-ended for various procedural and political reasons.

The House passed one of them, HF3833, May 11 after voting down an amendment that would have included the controversial licensure provision.

The provision, originally sponsored by Rep. Carlos Mariani (DFL-St. Paul), chairman of the House K-12 Education Policy and Oversight Committee, would have allowed limited two-year licensure for Teach for America members and others who meet certain criteria. They could have been placed in certain school districts to meet specific needs. However, other DFLers and the state teachers' union, Education Minnesota, said it lacked requirements for adequate student teaching experience and close supervision by a licensed teacher.

"Unfortunately, it was the teachers' union who threw the sand in the gears and blocked reform from happening," said Rep. Pat Garofalo (R-Farmington), by "bullying" enough DFL members into voting no.

Garofalo praised Mariani and Rep. Mindy Greiling (DFL-Roseville), chairwoman of the House K-12 Education Finance Division, for their leadership on policy reforms. He said that if the proposal and other reforms had passed, he could have asked his colleagues to support "a reasonable compromise" on a proposed temporary extension on school operating levies, also in the bill.

The proposal would have given school boards authority through June 30, 2016, to renew expiring levy referendum without putting the question to voters. It included a reverse referendum.

Greiling said that proposal was supported by most education groups, who saw it as a needed strategy to maintain fiscal stability as the state dips further into school revenue to help balance its budget.

Because the Senate did not take up HF3833, or sponsor a companion, it died.

## Race to the Top hopes over

Greiling called this "the worst year we've ever had for education." While schools were spared cuts, policy reforms that could have helped Minnesota win a federal Race to the Top grant and others offering budget relief for school districts were left on the table, as was the funding reform plan Greiling proposed, known as the "New Minnesota Miracle."

Reforms in the bill included annual teacher and principal evaluations, alternative licensure for mid-career changers, stronger teacher licensing requirements and an end-of-course algebra examination that could lead to new accountability measures.

Without policy reforms in place, Gov. Tim Pawlenty announced May 19 he won't re-apply for the grant, which could have been worth as much as \$175 million.

Losing out on the grant is one thing, but schools' problems are going to get worse before

they get better. Accounting shifts delaying state aid payments to schools up to 30 percent in the next biennium became law.

## What got left behind

Left behind were several strategies Greiling hoped would give school districts strategies to maintain fiscal stability.


One proposal would have smoothed bureaucratic snags that left \$8 million of special education reimbursement by Medicaid and Medicare uncollected by school districts last year. It would have made it easier to bill the third-party payers by streamlining required consent forms.

School districts would have gained easier access to health and safety revenue through reductions in red tape involved in applying for the revenue.

An idea to hire a quasi-independent analyst to monitor school trust lands activities, based on a successful model that has grown Utah's school fund to \$1 billion, won't happen this year.

## A few accomplishments made

A few provisions survived as parts of other laws or stand-alone laws:

- Metro Deaf School-Minnesota North Star Academy, a St. Paul charter school, likely would have folded without legislative authorization in HF3329, sponsored by Greiling, for the Education Department to accelerate its reimbursement for special education services;
- statewide physical education standards, plus other voluntary measures promoting children's health and fitness, are part of a health care law signed May 25 by the governor; and
- a proposed repeal of the statute that led to \$416 million of short-term lending by school districts to the state this spring was modified, becoming a provision in the supplemental budget law. The state may now tap those schools for cash flow help, but no longer must do so before seeking other loans. 



# Doling out resources

Omnibus environment and natural resources law also contains energy provisions

BY SUE HEGARTY

**N**ew recreation laws and the Outdoor Heritage Fund appropriations comprise a large part of the omnibus environment and natural resources law.

Most provisions are effective Aug. 1, 2010, including a requirement that boaters must drain boating-related equipment by removing drain plugs to prevent the spread of invasive species. Other provisions include: veterans with any service-connected disability will receive free daily entry permits to visit state parks, and horse riders on state land will be required to have a horse pass, a provision that was broadened after some riders claimed they didn't need a horse trail pass because they were riding off or beside the trail.

During winter months, owners of collector snowmobiles can qualify for exempted registration status. Cross-country skiers will face higher trail pass fees, but students and teachers on school-sanctioned cross-country ski outings will be exempt from the fees.

Funds from the Outdoor Heritage Fund, a sales tax dedicated to environmental and natural resources projects, will be used to acquire and/or restore prairie grassland, to protect shoreline and forest habitat, and to protect shallow lakes and wetlands.

The law contains nearly \$6.9 million of outdoor heritage appropriations for a wetlands acquisition and restoration program known as Reinvest in Minnesota. The RIM money stayed in the law despite the governor's previous line-item veto of \$25 million for RIM in the capital investment law he signed March 14. Outdoor heritage funds can only be used to supplement, not replace, traditional sources of funding.

A number of studies are required under the new law. A technical evaluation panel must

convene by July 1, 2011, to annually study whether conservation efforts funded by outdoor heritage money are achieving the goals set forth.

In light of a legislative auditor's report that the Department of Natural Resources has more land than it can manage, the new law requires a report to the Legislature by Jan. 15, 2011, that will contain recommendations on ways to accomplish the reasonable care of state land acquired in fee title or easement. Also by that date, the DNR must provide an analysis of the advantages and disadvantages of compensating the permanent school trust fund for state-owned lands.

Clean Water Fund appropriations will help pay to continue implementing total maximum daily load studies for impaired waters, an ongoing project of the Pollution Control Agency.

## Energy-related provisions

The new law also contains a number of energy-related provisions, including a change to the formula used for funding the Renewable Development Fund.

## What's in the law

The following are selected bills that have been incorporated, in part or in whole, into the omnibus environment and natural resources finance law:

**HF2954 Dill**  
**HF3079 Hortman**  
**HF3094 Eken**  
**HF3190 Hackbarth**  
**HF3207 Sailer**  
**HF3790 Murphy**

Xcel Energy pays into the fund based on the number of spent nuclear fuel dry casks it stores at its two power plants. Rather than a flat fee, Xcel will begin paying \$500,000 each year for each stored dry cask, which will increase the fund's bottom line. Development funds are appropriated as grants for research and development to find alternatives to nuclear energy. However, a provision in the law will redirect \$21 million of those funds for a solar module rebate program.

## Line-item vetoes

Three line-item vetoes were handed out by Gov. Tim Pawlenty.

A request for \$800,000 for supplemental staffing at the Public Utilities Commission was deemed inappropriate. In his veto letter, Pawlenty wrote, "In a time of when the state must live within its means, adding additional staff at the expense of Minnesota ratepayers sends the wrong message."

For the second straight year, the Board of Water and Soil Resources will not receive a \$100,000 appropriation from the Clean Water Fund to establish a pilot grant program to engage volunteers and to match private resources to complete water quality restoration and protection projects for lakes and rivers.

The City of Minneapolis will not receive \$90,000 for a grant to an organization that would study energy conservation and energy planning in lieu of a proposed high-voltage transmission line along the Midtown Greenway neighborhood. "Projects of this type normally do not receive funds from the renewable development fund for localized studies and I am concerned about the precedence that this would set," wrote Pawlenty.

HF3702/SF3275\*/CH361 

## Friday, May 14

### HF3850-Atkins (DFL)

#### Public Safety Policy & Oversight

Enforcement capability enhanced for identity theft and other fraudulent activities conducted electronically.

### HF3851-Morrow (DFL)

#### K-12 Education Policy & Oversight

Teacher performance assessments established.

### HF3852-Reinert (DFL)

#### State & Local Government Operations Reform, Technology & Elections

Commissioner of administration required to provide plans and specifications relating to building and construction contracts.

### HF3853-Laine (DFL)

#### Finance

Medical Assistance provisions changed.

### HF3854-Hansen (DFL)

#### State & Local Government Operations Reform, Technology & Elections

Senate and House of Representatives member number reduced.

### HF3855-Clark (DFL)

#### Health Care & Human Services Policy & Oversight

Commissioner of health required to research and report on autism, Department of Human Services required to train autism service providers and notification of autism service options required for Medical Assistance and MinnesotaCare recipients.

## Saturday, May 15

### HF3856-Bly (DFL)

#### Health Care & Human Services Policy & Oversight

Expanded health care practices authorized for health care professionals.

### HF3857-Lillie (DFL)

#### Taxes

Wage subtraction provided for public safety officers killed in the line of duty.

### HF3858-Zellers (R)

#### K-12 Education Policy & Oversight

School bus fire report required.

### HF3859-Shimanski (R)

#### Public Safety Policy & Oversight

Local law enforcement agency grants provided for training officers regarding immigration and surcharge provided.

### HF3860-Scalze (DFL)

#### Health Care & Human Services Policy & Oversight

Public assistance reporting information system use expanded.

### HF3861-Rukavina (DFL)

#### Finance

Applied learning initiative established in the Minnesota State Colleges and Universities for technical education.

## Sunday, May 16

### HF3862-Marquart (DFL)

#### State & Local Government Operations Reform, Technology & Elections

Minnesota Civic Compact, Civic Agency, Minnesota Youth Council, Volunteer Capacity Building Partnership, and Civic Innovation fund created; state strategic plan, public policy goals and performance measures established; evaluation process established; and office ombudsman created.

### HF3863-Loon (R)

#### Civil Justice

Child protection; guardian ad litem authority added.

### HF3864-Dill (DFL)

#### K-12 Education Policy & Oversight

Open enrollment transportation provisions modified.

## Monday, May 17

### SSH1-Carlson (DFL)

Omnibus state budget bill.

### SSH2-Greiling (DFL)

Omnibus K-12 education bill.

## Constitutional Officers

### Governor

#### TIM PAWLENTY (R)

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## New laws and their enactment date

The following chart includes the 219 bills and four resolutions that passed both the House and the Senate during the 2010 legislative session and sent to the governor for consideration. The bills are, for the most part, sorted according to the committee of origin. An asterisk marks the version sent to the governor.

Here are definitions of some of the terms used in the chart.

### Governor's options

#### • Enactment

The date the governor signed the bill into law.

#### • Line-item veto

The power or action of the governor to reject individual items within an appropriations bill while approving the rest of the bill.

#### • Veto

The governor did not approve the bill.

### Effective dates

Each act takes effect at 12:01 a.m. on the day stated in the act itself, unless it specifies a different time. Examples:

#### • Aug. 1, 2010

Each act the governor signs into law, except those that make appropriations, take effect on Aug. 1 following final enactment, unless the act specifies a different date.

#### • July 1, 2010

An appropriations act, an act spending money, takes effect at the beginning of the first day of July following its final enactment, unless the act specifies a different date.

#### • Day after enactment

The act becomes effective the day after the governor signs it.

#### • Upon local approval

A special law requiring approval from the local government unit it affects becomes effective the day after the local government unit's governing body files a certificate with the secretary of state, unless the act specifies a later date.

#### • Various

Different parts of the act have different effective dates.

#### • With exceptions

Act includes other effective dates.

#### • With qualifications

Act adds conditions to the effective date.

#### • Retroactive

Act goes into effect as of a specified date in the past.

2010 MINNESOTA LEGISLATURE						Enactment
FINAL ACTION AS OF MAY 27, 2010						
HF—House File SF—Senate File		R—Resolution CH—Chapter		*—bill the governor signed or vetoed		
CH	HF	Author	SF	Author	Description	
AGRICULTURE						
390	3124	Dill	2900*	Chaudhary	Agriculture provisions modified, taking, possessing, and transporting wild animals provisions modified, fish and wildlife management plan requirements modified, and game and fish license provisions modified.	Vetoed
BANKING						
211	2828*	Jackson	2231	Scheid	Instrument requirements to secure debt clarified.	4/1/2010
234	3065*	Simon	2590	Scheid	Securities lending agreements and holding of municipal funds provided.	4/15/2010
263	776*	Lesch	612	Latz	Uniform Foreign-Country Money Judgments Recognition Act enacted and recommended for passage by the National Conference of Commissioners on Uniform State Laws.	4/22/2010
BONDING						
189	2700*	Hausman	2360	Langseth	Omnibus bonding bill; capital improvement funding provided, previous appropriations modified, bonds issued, and money appropriated.	Line-item vetoed
399	3492*	Hausman	3222	Langseth	State bond proceed appropriations clarified and modified, and other appropriation provisions modified relating to Blazing Star State Trail, Mesabi Trail, Northwest Hennepin Family Center, an outpatient clinic and health education facility at Hennepin County Medical Center, Rochester Community and Technical College, Camp Ripley, Minneapolis Veterans Home and the city of Lake Elmo.	5/25/2010
BUDGET						
337	2038	Solberg	1481*	Bakk	Budget reserve percentage formula periodic review required.	5/13/2010
340	2037*	Solberg	1556	Cohen	General Fund balancing proposed, payment schedules modified, appropriations reduced for various departments, calculation modified, receipt deposit provided in special revenue fund, fourth tier added to income tax rates, and money appropriated.	Vetoed
215	1671*	Carlson	3223	Cohen	Supplemental budget bill; state government funding provided for state agencies, departments, and commissions, and various other state government provisions modified, bonds issued, and money appropriated.	4/1/2010
306	3748	Simon	3325*	Latz	Local impact notes request from finance and ways and means committees authorization.	5/11/2010
BUSINESS						
317	677	Bunn	525*	Prettner Solon	Body art establishments and technicians regulation system.	5/13/2010
283	2839	Bunn	2758*	Bonoff	Minnesota entrepreneur virtual assistance network authorized, and money appropriated.	4/30/2010
294	3591*	Hornstein	3115	Dibble	Minneapolis authorized to adopt an ordinance to define the annual duration of operation of mobile food units.	5/10/2010



# 2010 MINNESOTA LEGISLATURE

FINAL ACTION AS OF MAY 27, 2010

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Enactment

CH	HF	Author	SF	Author	Description	Enactment
240	3023	Holberg	2322*	Betzold	Business screening services regulated, and correction and deletion of certain criminal records provided.	4/15/2010
250	3025	Olin	2705*	Latz	Organization and operation of business corporations, nonprofit corporations, and limited liability companies regulated; consistent law provided relating to registered agents and offices of business entities; and prohibition repealed against certain business names.	4/15/2010
339	2902	Atkins	2663*	Scheid	Motor vehicle sales and distribution regulated.	5/13/2010
324	2060	Sterner	1886*	Saltzman	Insurance claims for residential roofing goods and services regulation and roofing contracts right to cancel.	5/13/2010
235	3277*	Simon	3102	Pappas	Advertising of deceptive local telephone numbers businesses specified as a deceptive trade practice.	4/15/2010
<b>CONSUMERS</b>						
209	2918*	Greiling	2632	Marty	Beverage production in basements authorized, and commissioner of agriculture directed to amend Minnesota Rules.	4/1/2010
293	2470	Hilstrom	2493*	Moua	Scanning device and reencoder use to acquire information from payment cards included as identity theft.	5/10/2010
305	3467	Davnie	3055*	Dibble	Tobacco Modernization and Compliance Act of 2010.	5/11/2010
255	3186	Atkins	2808*	Scheid	Omnibus liquor bill.	4/22/2010
257	3016	Hosch	2572*	Fischbach	Vehicle impoundment notice time clarified.	4/22/2010
<b>CRIME</b>						
300	3300	Morrow	2713*	Lourey	Civilly committed sex offenders, sexually dangerous persons, and sexual psychopathic personalities provisions modified, and judicial holds in commitment cases provisions amended.	5/10/2010
330	2607	Mullery	2755*	Latz	Detention placement options clarification for extended jurisdiction juveniles.	5/13/2010
335	3382	Lesch	2790*	Moua	Public hearings and public access to juvenile records governing provisions modified, expungement authorized of certain juvenile records, and human services commissioner authorized to grant set of asides or variances for certain individuals disqualified from licensure because of an offense as a juvenile.	Vetoed
349	3634	Jackson	3147*	Erickson Ropes	License revocation and license denial required for any health-related licensed professional convicted of a felony-level criminal sexual conduct offense.	5/15/2010
381	891	Champion	560*	Latz	Criminal record expungement authorized for individuals who have received stays of adjudication or diversion, expungements authorized without petitions in cases where charges were dismissed against a person upon prosecutorial approval and with victim notification, and persons petitioning for an expungement required to provide a copy of the criminal complaint or police report.	Vetoed
367	2757	Kahn	3145*	Pappas	Weight of water used in a controlled substance filtration device established when determining weight or amount of controlled substance.	Vetoed
368	2975	Lanning	2773*	Ingebrigtsen	Salvia divinorum sale and possession crime established, and penalty provided.	5/18/2010
<b>DEVELOPMENT</b>						
216	2695*	Lenczewski	2568	Bakk	Omnibus jobs bill.	4/1/2010
<b>EDUCATION</b>						
285	3347	Urdahl	2996*	Fischbach	School concession stands established as a specific category of food and beverage service establishments.	4/30/2010
395	3329*	Greiling	none	none	Charter school aid payment schedule modified.	5/25/2010
<b>ELECTIONS</b>						
379	2755	Swails	2629*	Sieben	Voting equipment and vote-counting equipment grant funding provided, grant terms and procedures specified, and money appropriated.	5/27/2010
327	1206	Simon	80*	Rest	Omnibus campaign finance bill.	5/13/2010
397	2754	Winkler	2471*	Rest	Secretary of state filings regulated.	5/27/2010
291	2510	Gardner	2226*	Rummel	Coercion prohibited for a person who is considering being a candidate.	Vetoed
313	653*	Kahn	834	Pappas	Municipal precinct and ward boundary procedures and requirements changed.	5/11/2010
314	655*	Kahn	531	Pappas	Candidacy affidavit required to state candidate's residence address and telephone number, and candidate placement on ballot prohibited if residency requirements are not met.	5/11/2010
201	3108*	Winkler	2388	Sieben	Elections provisions modified.	4/1/2010
194	3111*	Winkler	2622	Sieben	Ballot board use required to process absentee ballots, absentee ballots permitted to be counted starting on the fourth day prior to election, and other absentee ballot processing procedures modified.	3/24/2010
180	729	Poppe	848*	Lourey	Election judge provisions, mail balloting provisions, and town election provisions modified.	2/11/2010
184	2552	Simon	2251*	Bonoff	State primary date changed, and certain primary-related dates and provisions changed.	3/3/2010
<b>EMPLOYMENT</b>						
259	3130	Lesch	2363*	Betzold	Fire departments authorized to access criminal history data on current employees.	4/22/2010
264	1692*	Morrow	891	Olson, M.	Dispute arbitration provided, and Uniform Arbitration Act adopted.	4/22/2010
323	2758	Lillie	2386*	Metzen	Labor agreements and compensation plans ratification.	5/13/2010

# 2010 MINNESOTA LEGISLATURE

FINAL ACTION AS OF MAY 27, 2010

HF—House File  
SF—Senate File

R—Resolution  
CH—Chapter

\*—bill the governor  
signed or vetoed

Enactment

CH	HF	Author	SF	Author	Description	
345	1531	Loeffler	271*	Olson, M.	Classified employee expectations established as nonpartisan resources to all decision makers, and additional whistleblower protection provided to state employees.	Vetoed
359	3281	Murphy, M.	2918*	Betzold	Omnibus retirement bill.	5/15/2010
<b>ENERGY</b>						
358	3641	Welti	3081*	Prettner Solon	Community-based energy development program modified.	5/17/2010
372	3429	Welti	3046*	Sparks	Large solar electric generation demonstration conservation improvement project provided.	5/19/2010
373	3640	Eken	3126*	Skogen	Advance determination allowed for prudence determination by Public Utilities Commission for certain environmental projects of a public utility.	5/19/2010
<b>ENVIRONMENT</b>						
361	3702	Wagenius	3275*	Anderson	Omnibus environment and natural resources finance bill.	Line-item vetoed
362	2624*	Wagenius	2462	Anderson	Environmental and natural resources funding provided, approval required for acquisition of certain lands to be conveyed to the state, and money appropriated.	Line-item vetoed
341	2634*	Kalin	2185	Olseen	Mt. Simon-Hinckley aquifer water appropriation prohibitions expanded.	Line-item vetoed
338	3152	Bunn	2752*	Saltzman	Land use allowed within the Lower St. Croix River area.	5/13/2010
258	2402	Gardner	2152*	Kelash	Lead acid battery recycling, purchase, return, and collection regulated, and certain charges modified.	4/22/2010
286	1372	Gardner	1323*	Sheran	Infectious Waste Control Act modified.	4/30/2010
272	3061*	Hornstein	2991	Dibble	Minnesota's waste management hierarchy amended.	4/26/2010
298	162	Hansen	364*	Sparks	Watershed district drainage system provisions modified, and money appropriated.	5/10/2010
218	3067*	Hansen	2843	Rummel	Watershed plan provisions modified.	4/6/2010
<b>FAMILY</b>						
238	3299	Hayden	2562*	Betzold	Child support enforcement provisions updated on access to information, and actions by a public authority.	4/15/2010
309	2990	Hillstrom	2880*	Moua	State guardian ad litem board establishment.	5/11/2010
276	3157*	Mahoney	3087	Senjem	Parent notification of child maltreatment in a school facility modified.	4/26/2010
281	3391*	Olin	2999	Olson, M.	Children in need of protection or service provisions modified.	4/26/2010
269	3039	Hayden	2690*	Torres Ray	Driver's license requirements modified for foster children, in-court reviews required, and definition of parent expanded for child protection proceedings.	4/22/2010
346	2760	Slawik	2505*	Bonoff	Statewide child care provider training, coaching, consultation, and supports funding provided to prepare for the voluntary Minnesota quality rating system, and money appropriated.	5/15/2010
355	454	Murphy, E.	341*	Prettner Solon	Deceased person disposition provisions modified.	Vetoed
371	3786	Jackson	3361*	Scheid	Real property private transfer fees prohibited, and effective date modified for certain child support provisions.	5/19/2010
<b>GOVERNMENT</b>						
396	3055	Thissen	2908*	Doll	State-County Results, Accountability, and Service Delivery Redesign Act changes made.	5/25/2010
392	3449	Kahn	3134*	Betzold	State government programs or activities money appropriated or reduced, and provisions changed relating to expenses of governor-elect, income earned by the permanent school fund, lease-purchase agreements, general services, resource recovery, payment of aids and credits to school districts, tax return preparers, and implied consent.	5/25/2010
382	2970	Jackson	2642*	Moua	Revisor's bill correcting erroneous, ambiguous, and omitted text and obsolete references; eliminating redundant, conflicting, and superseded provisions; and making miscellaneous technical corrections to laws and statutes.	5/27/2009
385	3787*	Jackson	3323	Moua	Legislative miscellaneous oversights, inconsistencies, ambiguities, unintended results, and technical errors corrected.	5/27/2010
369	3682	Kalin	3318*	Dibble	Disposal of state-owned buildings provided, energy improvement financing program provisions changed, and executive branch agency representation changed in the reinsurance association.	5/19/2010
398	2227*	Marquart	1880	Metzen	Commission on Service Innovation established and duties imposed, Minnovation Council established and powers and duties of council imposed, innovation and redesign grants authorized, home rule charter commission provided for certain counties, Task Force for Policy Innovation and Research established, and money appropriated.	Vetoed
319	2840	Swails	2511*	Rest	Collaborative governance council establishment.	5/13/2010
297	2899*	Pelowski	2354	Betzold	Administrative remedy provided for certain data practice law violations, civil penalty provided, and money appropriated.	5/10/2010
290	2925	Kath	2873*	Frederickson	Public facilities programs amended and technical changes made.	4/30/2010
219	3336*	Simon	3031	Pappas	Right of first refusal offers modified for property obtained with federal transit funding.	4/6/2010
222	2988*	Pelowski	2327	Betzold	Minnesota Data Practices Act provision added on computer data, and state agency use of temporary session cookies on government Web sites clarified.	4/6/2010
226	2956*	Koenen	2563	Kubly	Indian tribal government authorized conveyance of land no longer needed for trunk highway purposes.	4/10/2010

# 2010 MINNESOTA LEGISLATURE

FINAL ACTION AS OF MAY 27, 2010

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CH—Chapter

\*—bill the governor  
signed or vetoed

Enactment

CH	HF	Author	SF	Author	Description	Enactment
193	2797	Hilty	2259*	Rest	Indian tribes authorized to participate in joint powers agreement.	3/24/2010
217	1780*	Sailer	1682	Fobbe	Revisor of statutes required to survey recipients of free state publications.	4/6/2010
<b>HEALTH</b>						
202	1713	Abeler	1494*	Metzen	Radiological technology examination preparation practices prohibited, and penalties established.	4/1/2010
198	3116	Swails	2743*	Prettner Solon	Hospital construction moratorium modified.	3/26/2010
243	2927	Thissen	2852*	Lourey	Health care clearinghouse added for health care provider transactions.	4/15/2010
247	3097	Juhnke	2616*	Sheran	Private shared services regulated, and regulatory provisions modified.	4/15/2010
289	1320*	Swails	1137	Higgins	Substitution of drugs used for the treatment of epilepsy or seizure rule adoption clarified.	4/30/2010
312	3327*	Koenen	2594	Kubly	Employees of city-owned or county-owned hospital exempt from certain reporting requirements.	Vetoed
310	3237	Huntley	3027*	Berglin	Changing health care eligibility provisions, making changes to individualized education plan requirements.	5/11/2010
307	984	Norton	633*	Sheran	Medical assistance (MA) primary care health care providers primary caries (cavities) prevention performance encouragement.	5/11/2010
261	3405*	Eken	3199	Berglin	Commissioner's state medical review team duties modified.	4/22/2010
274	2969	Ruud	2851*	Lynch	Health licensing technical provisions modified.	4/26/2010
363	3210	Davids	2879*	Sparks	Minnesota Comprehensive Health Association provisions modified.	5/18/2010
360	2614*	Huntley	2337	Berglin	Omnibus health and human services bill.	Vetoed
344	3056*	Norton	2815	Lourey	Provider peer grouping timelines and system modified, and agricultural cooperative health plan for farmers provision added.	5/15/2010
336	3279	Huntley	2974*	Lourey	Electronic health record technology provisions amended, administrative penalties provided, and money appropriated.	5/13/2010
326	1847	Fritz	1761*	Scheid	Oral chemotherapy cancer treatment health plan coverage requirement.	5/13/2010
331	3042	Murphy, E.	2700*	Prettner Solon	Health care participating provider agreements regulation.	5/13/2010
<b>HIGHER EDUCATION</b>						
284	3164*	Haws	2822	Clark	Transfer of credits regulated within institutions belonging to the Minnesota State Colleges and Universities system.	Vetoed
230	2766	Welti	2425*	Erickson Ropes	Higher education private data disclosure provision modification.	4/10/2010
<b>HOUSING</b>						
237	2708	Mullery	2559*	Kelash	Conforming change made to provide for the right of the borrower to obtain a postponement of a foreclosure sale that has a 12-month redemption period, as is now available for a six-month redemption period.	4/15/2010
210	3259*	Beard	2875	Olseen	Utility's requirement modified to post notice of impending disconnection of utility services to a rental building due to a landlord's failure to pay for service.	4/1/2010
315	2668*	Mullery	2595	Dibble	Expungement procedures modified, fee charging and recovery procedures provided, and certain rights provided to tenants of foreclosed properties.	5/11/2010
343	3386*	Swails	2832	Saltzman	Residential contracts performance guidelines required, statutory warranties modified, notice and opportunity to repair required, and dispute resolution procedures provided.	5/13/2010
375	2699	Hilstrom	2430*	Scheid	Notice requirements during foreclosure amended.	5/19/2010
<b>HUMAN SERVICES</b>						
376	3246	Liebling	2937*	Rosen	Chemical dependency treatment pilot projects created.	5/19/2010
377	3795	Eken	3379*	Langseth	FEMA Public Assistance Program money appropriated.	5/25/2010
378	3131	Mullery	2891*	Moua	Interstate Compact for Juveniles adopted.	5/27/2010
374	2062	Lanning	1770*	Jungbauer	Ladder Out of Poverty Task Force established, membership and duties provided, and legislative appointments provided.	5/19/2010
394	2859*	Simon	2567	Cohen	Nursing facility rate provisions modified.	5/25/2010
348	3059	Ruud	2695*	Sheran	Pregnant women mandatory reporting requirements modified.	5/15/2010
352	3234	Hosch	2933*	Lourey	Continuing care policy and personal care assistance service provisions changed.	5/15/2010
353	3571	Koenen	3019*	Kubly	Publicly owned nursing facilities rate increase authorized, and local share required for nonfederal medical assistance costs.	Vetoed
329	3239	Abeler	2935*	Lourey	Human services department (DHS) licensing provisions modifications; background study requirements, disqualifications and data classifications provisions modification.	5/13/2010
301	3088	Hayden	2855*	Torres Ray	Children and family service technical and policy provisions changed, Minnesota Family Investment program and adult supports provisions changed, and child welfare provisions changed.	5/10/2010
302	3589*	Kath	3084	Carlson	Contracts for professional or technical services reporting threshold reduced.	5/11/2010
303	2926	Hosch	2912*	Berglin	Children's mental health policy provisions; American Indian chemical dependency licensure programs requirements; mental health diagnostic assessment payments structure.	5/11/2010



# 2010 MINNESOTA LEGISLATURE

FINAL ACTION AS OF MAY 27, 2010

HF—House File  
SF—Senate File

R—Resolution  
CH—Chapter

\*—bill the governor  
signed or vetoed

Enactment

CH	HF	Author	SF	Author	Description	Enactment
271	737	Rukavina	1246*	Tomassoni	Rehabilitation counselors for the blind certification provided.	4/26/2010
262	3151*	Laine	2903	Pappas	Viewing, transportation, and removal of a dead human body provisions modified.	4/22/2010
266	3096*	Pelowski	2735	Rest	Rehabilitation facility, extended employment provider, and day training and habilitation service program provisions changed.	4/22/2010
246	3196	Hosch	2923*	Erickson Ropes	Home health care services regulating provisions modified.	4/15/2010
254	3128*	Hilstrom	2796	Moua	Powers clarified for health care agents, guardians, and others to make health care decisions for wards and protected persons, and governing guardians and conservators provisions modified.	4/15/2010
200	802	Murphy, E.	460*	Berglin	Mental health urgent care and psychiatric consultation required, hospital payment rates reduced, covered services changed, transfers allowed, general assistance medical care program created, coordinated care delivery systems required, temporary uncompensated care pool and prescription drug pool created, and money appropriated.	3/26/2010
182	2680	Murphy, E.	2168*	Berglin	Mental health urgent care and consultation services established, general assistance medical care program modified, and money appropriated.	Vetoed
<b>HUMANITIES</b>						
245	2928	Champion	2580*	Higgins	Juneteenth observance governing provisions modified.	4/15/2010
252	3143*	Nornes	3013	Olson, M.	Explore Minnesota Tourism Council membership requirements amended.	4/15/2010
<b>INDUSTRY</b>						
248	3212	Simon	2877*	Latz	Continuing education requirements exception provided for licensed professional counselors.	4/15/2010
228	3363	Davids	2840*	Johnson	Petroleum storage tank and capacity requirements modification; biodiesel minimum content requirement exemption for number 1 diesel fuel extension; biodiesel sale on a net volume basis regulation.	4/10/2010
183	927*	Mahoney	1004	Scheid	Construction codes and licensing modified.	3/1/2010
190	2856*	Atkins	2512	Scheid	Continuing education requirements changed for real estate brokers and salespersons.	3/19/2010
191	2706*	Atkins	2252	Rest	Certified public accountant licensing requirements clarified.	3/24/2010
199	2897	Norton	2596*	Prettner Solon	Psychologist licensure requirements modified.	3/26/2010
212	2949*	Gardner	2925	Rest	Treatment works allocation and interceptors reserved capacity costs provisions modified.	4/1/2010
260	3360	Nelson	2944*	Tomassoni	Contractor continuing education requirements modified.	4/22/2010
280	3048*	Norton	2928	Saltzman	Construction codes and licensing provisions modified, and certain notice provisions modified.	4/26/2010
282	3076	Juhnke	2844*	Skoe	Elevator provisions modified.	4/30/2010
287	2855*	Gunther	2726	Murphy	Boiler provisions modified and civil and criminal penalties amended and imposed.	4/30/2010
321	3293	Clark	3128*	Kelash	Lead certification requirements for renovation of residential housing constructed prior to 1978; licensing requirements modifications.	5/13/2010
328	2798	Hilstrom	2519*	Anderson	Public utility disclosure of travel, entertainment and expenses included in a rate change request requirement.	5/13/2010
325	3667	Hilty	3080*	Prettner Solon	Electric generating plants emission reducing programs modifications.	5/13/2010
384	2942	Atkins	2839*	Scheid	Licenses regulated, requirements modified, education and notice requirements continued, various housekeeping, technical, and clarifying changes made, securities regulated, real estate brokers, salespersons, and closing agents provisions reorganized, real estate appraiser advisory board membership requirements and appointment authority modified, and workers' compensation regulated.	5/25/2010
<b>INSURANCE</b>						
370	2163	Loeffler	1905*	Scheid	Small employer health insurance market expanded, and small employer health coverage standard application form development process created.	5/19/2010
322	866	Hosch	915*	Dibble	Public employees insurance program school districts employee health insurance coverage purchase requirement.	Vetoed
275	3146	Atkins	2825*	Sparks	Continuing education provisions modified, insurance laws amended involving insurance company rehabilitation and liquidation, group life insurance, use of mortality tables, the Life and Health Insurance Guaranty Association, mutual insurance companies, and fraternal risk-based capital regulated.	4/26/2010
278	2879*	Bigham	2592	Sieben	Minors allowed to contract for automobile insurance.	4/26/2010
<b>LAW</b>						
267	3393*	Jackson	2985	Latz	Minnesota Common Interest Ownership Act amended.	4/22/2010
295	3318*	Hortman	2984	Moua	Uniform Unsworn Foreign Declarations Act proposed for adoption by the National Conference of Commissioners on Uniform State Laws, and penalties provided.	5/10/2010
192	2599	Falk	2439*	Saltzman	Live check solicitations prohibited.	3/24/2010
231	212*	Simon	333	Foley	Pretrial filing prerequisite of a transcript eliminated for admission into evidence of law enforcement vehicle recordings.	4/15/2010
214	3139*	Bigham	2952	Moua	Financial records release authority reinstated in response to a subpoena.	4/1/2010
233	2823*	Jackson	2232	Scheid	Deed filing contract definitions clarified, and common interest community certificate changes made.	4/15/2010
220	3187*	Bigham	2328	Betzold	Civil commitment oath or affirmation provided without notarization and the acceptability of electronic signatures and documents.	4/6/2010

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Enactment

CH	HF	Author	SF	Author	Description	
239	2991	Hilstrom	2517*	Moua	Court authorized to furnish any electronic copies of documents to public defender at no charge.	4/15/2010
334	2825	Hortman	2427*	Betzold	Distribution status clarified, relationship and inheritance provisions changed, and emergency and temporary conservators provided.	5/13/2010
<b>LOCAL GOVERNMENT</b>						
354	3147	Jackson	2885*	Fobbe	Assessor duties specified.	5/15/2010
380	910*	Hortman	214	Betzold	Notary public fees modified, commissions and notarial stamps and seals regulated, clarifications provided, accommodations of physical limitations provided, and premarital education provisions modified.	5/25/2010
236	1457	Johnson	987*	Lynch	Unfunded mandates affecting local governmental units eliminated.	4/15/2010
249	3085	Marquart	2722*	Skoe	State and political subdivisions and others exempted from increased interest rates on certain judgments and awards.	4/15/2010
227	3017*	Atkins	2413	Rest	Municipalities authorized to permit certain solicitations by firefighters.	4/10/2010
188	2485	Atkins	2253*	Metzen	Rock Island Bridge moratorium on demolition or removal repealed.	3/14/2010
195	3468	Poppe	3167*	Lourey	Town meeting minutes provided.	3/26/2010
206	3350*	Smith	2953	Olson, G.	City employees prohibited from serving as mayor or on the city council.	3/30/2010
207	2729*	Slocum	2400	Kelash	Richfield; firefighter limited response time residency requirements permitted.	4/1/2010
208	2360*	Davnie	2738	Torres Ray	Minneapolis; Special School District No. 1; two member appointment provided on the Minneapolis redistricting commission, and standards established.	4/1/2010
203	2786*	Reinert	2397	Prettner Solon	Duluth; membership rules provided for the Spirit Mountain Recreation Area Authority.	4/1/2010
296	1209*	Demmer	973	Sieben	Corporate deputy registrar expiration date removed.	5/10/2010
308	2945	Mahoney	2759*	Sparks	State building code municipal enforcement provisions modifications.	5/11/2010
279	2231*	Nelson	2004	Kelash	Road authorities allowed to remove snow from certain roads in uncompleted subdivisions.	4/26/2010
288	1182*	Bly	1112	Dahle	Public service corporation eminent domain authority clarified.	4/30/2010
<b>MILITARY</b>						
185	2675	Newton	2373*	Erickson Ropes	American Legion Day designated as September 16 of each year.	3/9/2010
244	2674	Newton	2475*	Fobbe	Veterans of Foreign Wars Day designated as May 28.	4/15/2010
333	2678	Juhnke	2737*	Skogen	Agriculture and veteran affairs provisions and programs changed, development and use of industrialized hemp authorized and regulated, terms and procedures clarified, record keeping provisions changed, planning for additional veteran cemeteries required, and money appropriated.	5/13/2010
<b>RECREATION</b>						
221	3172*	Cornish	2797	Rosen	Baseball field advertisements permitted.	4/6/2010
<b>SAFETY</b>						
223	1217*	Gardner	1568	Doll	Legend and nonprescription drug possession allowed by those disposing of them, and definitions modified.	4/10/2010
224	2709*	Norton	2555	Senjem	Volunteer protections during an emergency or disaster modified, and immunity specified for certain entities.	4/10/2010
225	2881*	Kath	2817	Dahle	Qualified persons with medical training or supervision authorized to take blood samples from DWI offenders, and legal immunity provided.	4/10/2010
229	2701	Atkins	2267*	Rest	Full-time firefighter definition expansion.	4/10/2010
232	2616*	Kahn	2453	Carlson	Bicyclists allowed to stop and proceed through red light under limited circumstances.	4/15/2010
241	3362*	Davids	2841	Dahle	Petroleum tank release provisions modified.	4/15/2010
242	3420	Holberg	3091*	Olseen	Medical examination requirements conformed for commercial driver's license to federal law.	4/15/2010
251	3174*	Bigham	2862	Scheid	Predatory offender registration law amended to address registrants living in homeless shelters and to clarify that the registration requirement for offenders who move out of state are suspended not terminated.	4/15/2010
186	2713	Peterson	2309*	Rest	Probationary period lengthened for newly hired peace officers in certain statutory cities.	3/9/2010
197	3321	Lesch	2946*	Prettner Solon	Collection of fees allowed under the license reinstatement diversion pilot program to be extended for 18 months.	3/26/2010
213	3027*	Eken	2604	Skogen	Mercury testing requirements amended for new incinerator units.	4/1/2010
268	3423	Peterson	2339*	Rest	Criminal penalty increased for possessing dangerous weapons on school property while criminal penalty lowered for brandishing, using, or possessing replica firearms and BB guns on school property.	4/22/2010
270	3191	Morrow	2717*	Sheran	Sexual contact in secure treatment facilities included as criminal sexual conduct in the third and fourth degrees.	4/22/2010
256	3447	Bigham	3116*	Scheid	DNA collection from offenders authorized.	4/22/2010
316	1005	Reinert	345*	Saxhaug	Enhanced drivers license and identification card creation.	5/13/2010

# 2010 MINNESOTA LEGISLATURE

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HF—House File  
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R—Resolution  
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Enactment

CH	HF	Author	SF	Author	Description	Enactment
318	3038	Olin	2709*	Pariseau	Out-of-state offenders (prisoners) housed in county and regional jails authorization; inmate room and board payment time credited for time served inclusion.	5/13/2010
292	3312	Greiling	2990*	Dibble	Criminal penalty provided for intentionally rendering a service animal unable to perform its duties, offenders convicted of harming service animals required to pay restitution, and civil remedies are not precluded by the criminal penalty for harming service animals.	5/10/2010
304	2914	Mariani	2370*	Pappas	Illegally tinted motor vehicle windows sale prohibition.	5/11/2010
299	2608	Hilstrom	2437*	Moua	Protection area extended to a reasonable area around residence or dwelling in ex parte orders for protection.	5/10/2010
332	3660*	Koenen	3246	Latz	Department of corrections; settlement provided for certain claims against the state for injuries suffered, and money appropriated.	5/13/2010
357	2612*	Hilstrom	2186	Betzold	Civil commitment venue clarified.	5/17/2010
342	2639*	Johnson	2470	Prettner Solon	Wireless telecommunications service providers authorized to provide call locations for emergencies, and Kelsey Smith Act provided.	5/13/2010
383	2965	Paymar	2725*	Moua	Multijurisdictional gang and drug task forces certification process established.	5/27/2010
391	2610	Mullery	2634*	Moua	Property forfeiture provisions changed, and sale of forfeited property by law enforcement officers, employees, and family members.	5/27/2010
366	3106*	Bigham	2741	Murphy	Implied consent, driving while impaired, and ignition interlock provisions modified.	5/18/2010
<b>TAXES</b>						
389	3729*	Lenczewski	3327	Bakk	Omnibus tax bill.	Line-item vetoed
187	2763	Lenczewski	2352*	Bakk	Income tax charitable deduction accelerated for relief of Haitian earthquake victims.	3/9/2010
<b>TRANSPORTATION</b>						
181	1074	Abeler	740*	Jungbauer	Anoka County; design-build process authorized to award contract for construction of intersection of U.S. Highway 10 and County State-Aid Highway 83.	2/11/2010
196	2575	Kalin	2183*	Olseen	North Branch; Corporal Johnathan Benson Memorial Highway designated.	3/26/2010
204	2561*	Kalin	2182	Olseen	North Branch; Veterans Memorial Bridge on marked Trunk Highway 95 designated.	3/30/2010
205	2915*	Lieder	2847	Jungbauer	Bridge project ongoing prioritization provided.	4/1/2010
253	3460*	Hornstein	3090	Olseen	Definition changed to conform to International Registration Plan for commercial motor vehicles.	4/15/2010
320	3029	Hortman	2846*	Skoe	Large motor vehicles (tractor, truck) on public streets and highways regulations modifications; motor vehicle carriers transporting milk gross annual permit issuance authority for overweight vehicles.	5/13/2010
311	3168	Nelson	2756*	Kelash	Overdimensional load escort drivers traffic control authority and commissioner of public safety to escort driver training and certification program establishment.	5/11/2010
265	2851*	Nornes	2662	Skogen	Trunk highway routes Nos. 332 and 297 routes modified.	4/22/2010
273	3286*	Hornstein	3005	Clark	Metropolitan Council best value contracts and procurement for transit vehicles authorized.	4/26/2010
386	127	Holberg	251*	Betzold	Motor vehicle definition clarified in statutory provision deeming the driver to be the agent of the owner in case of accident.	5/25/2010
387	3117	Morrow	2469*	Murphy	Motor carrier contracts regulated and indemnification provisions prohibited.	5/25/2010
388	2801*	Obermueller	2461	Murphy	Special license plates provided, trunk highway funding provided, bonds issued, public safety programs and activities funding provided, and money appropriated.	5/27/2010
350	605	Hortman	1060*	Dibble	Transportation Department management, priorities, research, and planning provisions modified.	5/15/2010
351	2807	Hornstein	2540*	Murphy	Transportation construction impacts on business provisions modified, prohibited rest area activities added, highway routes modified; traffic provisions, bridge projects provisions, and impound provisions modified; Minnesota Council of Transportation Access and a Commuter Rail Corridor Coordinating Committee established and member provisions modified.	5/15/2010
356	3263*	Hortman	3106	Gimse	Traffic regulation provisions modified relating to highway work zone speeds, driving in the right-hand lane, and seat belt requirements for persons operating a type III vehicle as a school bus.	5/17/2010
<b>TECHNOLOGY</b>						
347	2781	Obermueller	2510*	Tomassoni	Grant and loan programs modified, duties modified, technical changes made, terms defined, Minnesota Science and Technology Authority created, licensing provisions modified, fees imposed and modified, construction codes modified, study requested, reports required, and money appropriated.	Line-item vetoed
364	3448	Rukavina	184*	Pappas	Data matching authorized, eligibility modified, award procedure and grant program established, security modified, office established, bonding provisions modified, refunds provided, credit transfers governed, streamlining required, reimbursement provided, pilot projects established, corrections made, public education requested, and appropriation reductions governed.	5/18/2010
365	1083	Mullery	863*	Olson, M.	Data collection, dissemination, disclosure, and use of data regulated, data classified, informed consent requirements regulated, terms defined, temporary classification provisions amended, access to certain data provided, business screening services regulated, human services background study provisions amended, and technical and conforming changes made.	5/18/2010
277	2907*	Johnson	2254	Prettner Solon	State goals set for the deployment and speed of high-speed broadband.	4/26/2010
<b>SPECIAL SESSION</b>						
SS1	1*	Carlson	1	Cohen	Omnibus state budget bill.	5/21/2010



**MINNESOTA HOUSE OF REPRESENTATIVES**  
**PUBLIC INFORMATION SERVICES**  
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— M. Cook

**Sources: House Public Information Services department; Legislative Reference Library;  
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# SESSION WEEKLY

## Interim Update

A NONPARTISAN PUBLICATION  
MINNESOTA HOUSE OF REPRESENTATIVES • PUBLIC INFORMATION SERVICES  
October 19, 2010



Zumbro Falls incoming Mayor Al Christenson, from left, Hammond Mayor Judy Radke and Rep. Steve Drazkowski tell the House Finance Committee Oct. 18 about the flooding destruction in their communities.

## Disaster relief enacted

Brief special session ends with \$80 million flood, storm aid package

By Nick Busse

For communities like Zumbro Falls, disaster relief funding is more than just a helping hand; it's a lifeline. Without state aid, incoming Mayor Al Christenson said the floods that washed across 21 southern Minnesota counties beginning Sept. 22 leave the city's future in doubt.

"The opportunity and the help that you'll provide for us could mean the difference between us staying viable — and not — in the future," Christenson told lawmakers.

Help is on the way.

On Oct. 18, the Legislature passed, and Gov. Tim Pawlenty signed, an \$80 million disaster relief bill. Passed 131-0 by the House and 66-0 by the Senate during a brief special session, the legislation will go a long way

toward helping affected communities repair and rebuild.

Rep. Kory Kath (DFL-Owatonna), who sponsors the law with Sen. Ann Lynch (DFL-Rochester), said the bill would give new hope to those devastated by the recent floods.

"This is what we do. We look out for Minnesotans. We do what's right. And we make sure that in times of crisis we react in a way that really reflects our Minnesota values," Kath said.

The law, effective Oct. 19, 2010, will fund repairs to public infrastructure like roads and wastewater facilities. It will also provide aid to small businesses and farmers, and fund flood mitigation projects.

While federal dollars will aid in most recovery efforts, the law fills gaps where the federal assistance falls short. In particular, it

will provide help to individual homeowners who were not included in the federal disaster declaration and are not eligible for federal help.

The law also funds recovery efforts from a disaster declaration made in July, in the wake of a deadly tornado in Wadena and severe storms in other communities.

Rep. Steve Drazkowski (R-Mazeppa), whose own community was heavily impacted by the September floods, said the Legislature's quick action on disaster relief represented an example of government at its finest.

"This is the good work that government does, and can do ... to help those who truly aren't in positions to help themselves," Drazkowski said.

**Continued on page 2**



PHOTOS BY TOM OLMSCHIED

Rep. Kory Kath, left, and members of the House Finance Committee listen as Kris Eide, right, director of emergency services for the Department of Public Safety, talks about the natural disaster relief package.

## Communities struggling

During a pair of House committee hearings earlier in the day, Christenson and other local officials described widespread damages that threaten some rural Minnesota communities' way of life.

In Hammond, a small city north of Rochester, Mayor Judy Radke said the community is in danger of dying unless its handful of businesses can rebuild and continue to operate.

"Our Main Street consists of three businesses. You've got a bar, a bank and a restaurant. If those businesses aren't able to come back in, there's no reason to even move to Hammond," Radke told the House Finance Committee.

Small towns weren't the only ones hit. In Owatonna, rising floodwaters divided the city in two, knocking out critical public facilities and infrastructure along the way. Many homes were virtually destroyed, leaving Steele County Emergency Management Director Mike Johnson to wonder what might happen if residents choose to walk away rather than rebuild.

"What's going to happen to this area here, unless we can provide some sort of assistance to them?" he said.

Meanwhile, Wadena city officials spoke about the impact of the June 17 tornado that destroyed hundreds of homes, the high school and killed three residents. Much like those impacted by the floods, they said state aid was vital to their community's survival.

"Wadena County is one of the poorest counties of the state," said Ann Pate, who chairs the local school board. "These dollars are very important to the viability of our area."

The disasters arrived at a difficult time for the state, which is struggling to cope with a record-setting budget deficit. Funding for the relief package is made possible largely by a recent influx of federal dollars from increased Federal Medical Assistance Percentages (FMAP) matching payments. The increased federal aid will leave the state with a positive cash balance for the current fiscal biennium, even after the disaster aid law is fully funded.

Special sessions focusing on flood relief are not unusual for the state. Most recently, the Legislature passed a \$157 million aid package for southeastern Minnesota during a one-day special session on Sept. 11, 2007.



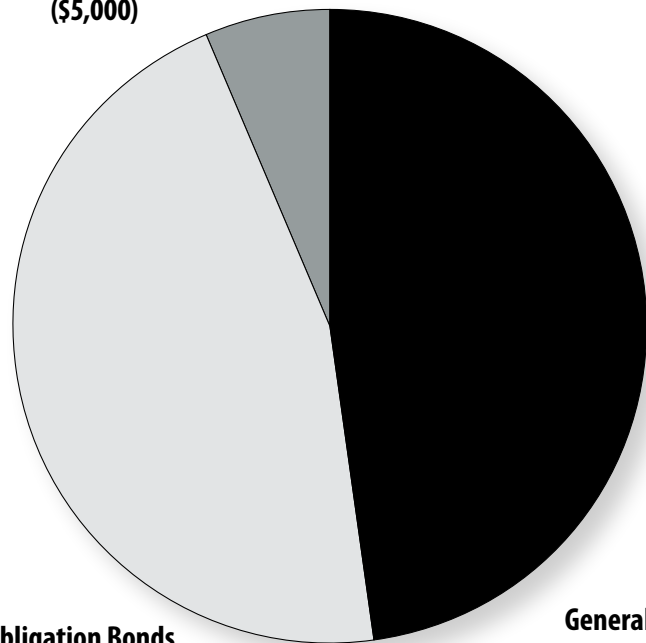
PHOTO BY TOM OLMSCHIED

Faribault Mayor John Jasinski, from left, City Manager Tim Murray and Rep. Patti Fritz wait for their opportunity to testify before the House Finance Committee Oct. 18 about their cities flood damage.

## Disaster Relief Funding Sources

(in thousands)

Trunk Highway Bonds  
(\$5,000)



General Obligation Bonds  
including Transportation  
Bonds (\$36,790)

General Fund  
(\$38,416)

Source: Minnesota House of Representatives  
Fiscal Analysis Department