

# SESSION WEEKLY

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HF3818 - HF3831

## SESSION WEEKLY

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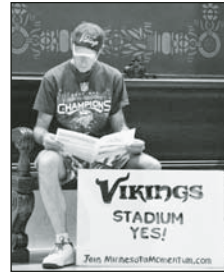
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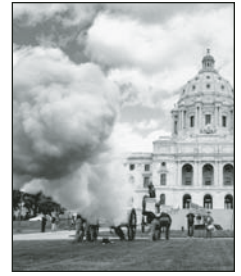
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On the cover: Clay Washington, a Hennepin County Child Protection social worker, adjusts one of the 1,000 American flags placed on the lower mall of the Capitol April 29 as part of the "Healing Field for Child Abuse Prevention" during the last weekend of Child Abuse Prevention Month.

— Photo by: Tom Olmscheid





PHOTO BY TOM OLMSCHIED

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 Schwalter.

# 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.



**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 OLMSCHIED

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 Huseth, Master Sgt. Steven Albro 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

## 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.

— S. HEGARTY

The bill would also make it harder for employers who fire employees to deny benefit claims on the basis of employee misconduct. Supporters say it would merely reaffirm the intent of the current law, but Rep. Sarah Anderson (R-Plymouth) criticized the provision, noting that DEED estimates it will cost an additional \$45 million a year to the state's unemployment insurance trust fund.

The bill would also overhaul the state's licensing fees for contractors working in the various construction trades. The goal is to tie them more closely to skill levels as well as the actual cost the department incurs in licensing each trade. Some fees would go up, while others would go down.

Rep. Kim Norton (DFL-Rochester) successfully amended the bill to include the language from HF2849, which would initiate a comparative study of the small business climates in Minnesota and Wisconsin.

Various other provisions in the bill include:

- allowing veterans to apply for an interest-free loan of up to \$20,000 to start a small business, under certain conditions;
- establishing a Minnesota Science and Technology Authority to assist and promote high-tech businesses; and
- requiring a report on the use of block grants to fund workforce programs.

The House passed the bill 83-39. It now returns to the Senate, where a different version was passed 45-21 on April 26.

— N. BUSSE

## 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



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 OLMSCHIED

**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 Highway 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

### Frequently called numbers

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

#### Meeting Hotline, House

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

#### Chief Clerk of the House

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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.”

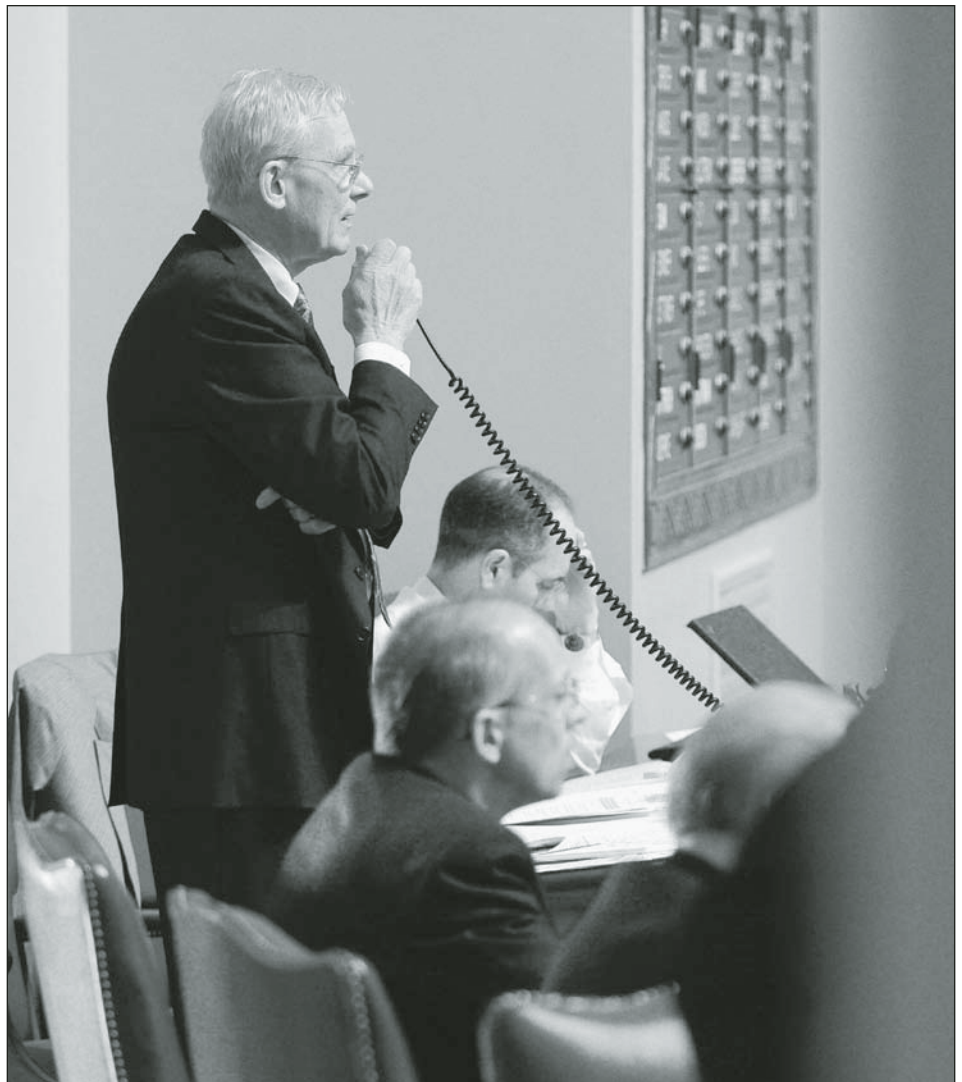


PHOTO BY ANDREW VONBANK

**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**

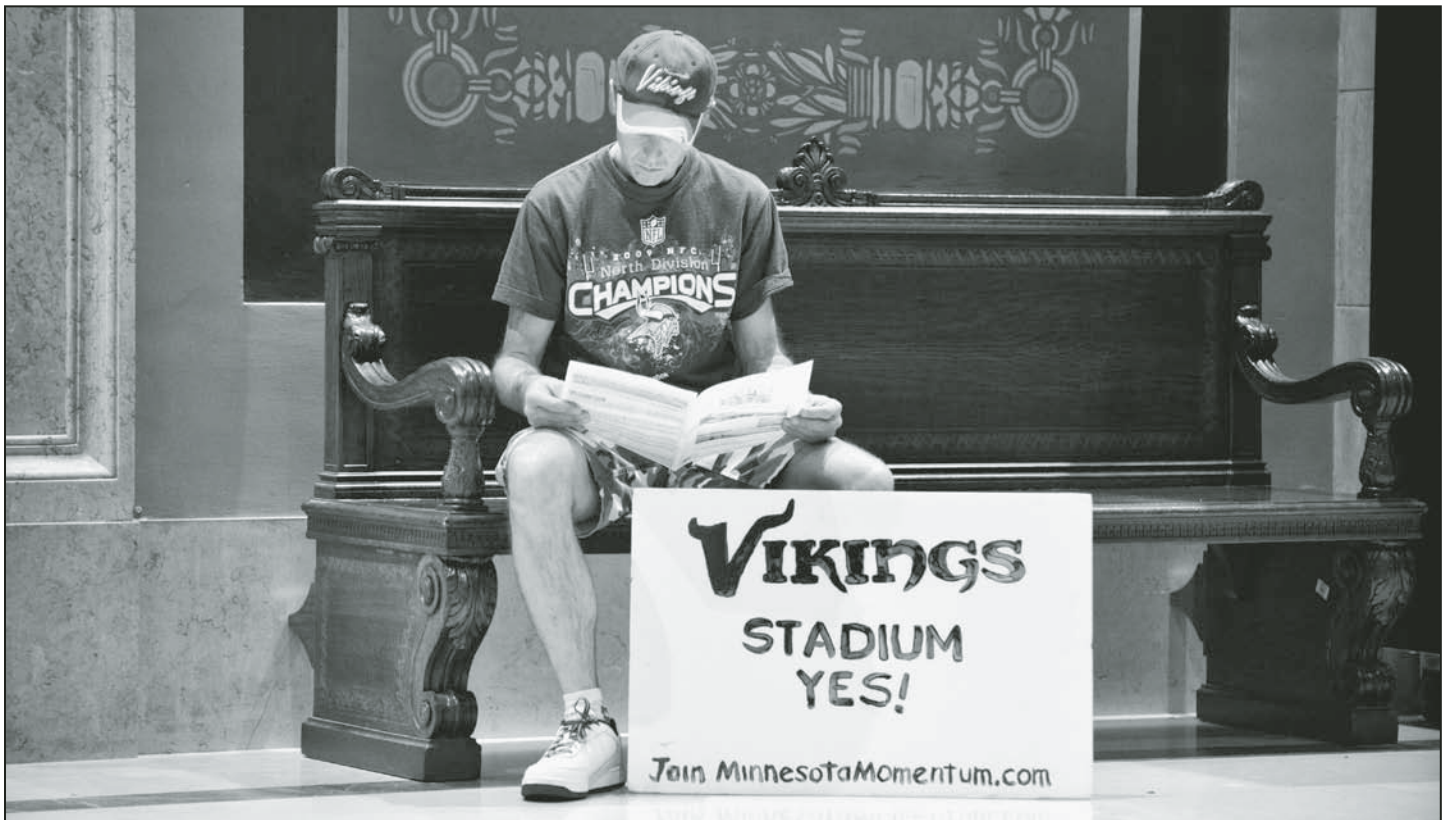


PHOTO BY TOM OLMSCHIED

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.

## Sports continued from page 15

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 OLMSCHIED

**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



***“We can increase yields across a field without increasing fertilizer usage, we can decrease fertilizer runoff and fertilizer going into the ground water.”***

— 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 “trod 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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# MINNESOTA INDEX

## Enjoy the outdoors

Average high temperature in Minneapolis in July, in degrees Fahrenheit.....	83
In Bemidji .....	79
In Grand Marais.....	72
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
Number of state trails .....	21
Length, in miles, of the Superior Hiking Trail that follows a ridgeline on the bluff above Lake Superior.....	205
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.**

## FOR MORE INFORMATION

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