

SESSION WEEKLY



BLUEPRINT FOR CHANGE

THE BIG REBOOT

BUDGET TARGETS RELEASED

HOUSE VOICE IS SILENCED

HF880 - HF1049

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MINNESOTA HOUSE OF REPRESENTATIVES • PUBLIC INFORMATION SERVICES
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Flashback to 1991, 2001, 2006

Teacher licensure gets no respect

The leader of the state's largest teachers' organization says he's not happy with a provision in a sweeping education reform bill that would further ease teacher licensing requirements.

"There's a theme that runs through here that doesn't respect licensure requirements for teachers, and I don't know how to sugarcoat that," said Minnesota Education Association President Bob Astrup.

He told the House Education Committee that the MEA is concerned about a provision in HF350 that would allow schools to hire "community experts" for a given course without first attempting to hire a licensed teacher.

— Session Weekly March 8, 1991

Human right to personal protection

Legislators are considering a bill that would make it easier to acquire a permit to carry a handgun. Under HF1360, sponsored by Rep. Lynda Boudreau (R-Faribault), county sheriffs would be required to issue a gun permit within 15 days of an application unless the applicant fails a background check. Boudreau said current law is "unfair and discriminatory," because local officials have the power to arbitrarily deny requests. "The established human right to personal protection must be realized in Minnesota," she said.

— Session Weekly March 9, 2001

Pharmacists' right of refusal

Under HF3032, sponsored by Rep. Tom Emmer (R-Delano), pharmacists would not be required to fill prescriptions if they have an objection — ethical, moral or religious — to a prescribed drug or device.

Rep. Barb Goodwin (DFL-Columbia Heights) told the House Health Policy and Finance Committee the bill could be futile for patients seeking birth control, especially in cases of rape or incest.

Additionally, the bill would allow pharmacists to refuse prescriptions if they determine a drug or device would cause medical problems for a patient or if payment is not received.

— Session Weekly March 10, 2006

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SESSION WEEKLY

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On the cover: As part of her Quinceañera, a 15th birthday celebration, Marcela Vega, poses for her sister Martha to take a photograph on the grand staircase to the Supreme Court Chamber at the Capitol March 4.

— Photo by Tom Olmscheid

Blueprint for change

What would a redesigned state government look like?

By Nick Busse

Better, faster, cheaper.
This might serve as a motto for the 2011 session.

Over the past several years, lawmakers from both parties have emphasized the need to redesign state government for the 21st century. Judging by the steady trickle of reform bills moving through House committees, this could be the year it happens.

Whether everyone will be satisfied with the end results is another matter.

In the House, the new majority is moving forward with proposals on everything from cutting the number of state workers to consolidating backroom office functions like accounting. Some proposals, like a bill to spur private investment in social services programs, have bipartisan support. Others, like one that would establish a performance pay system for state workers, are seen by many DFLers as an attack on public employees' collective bargaining rights.

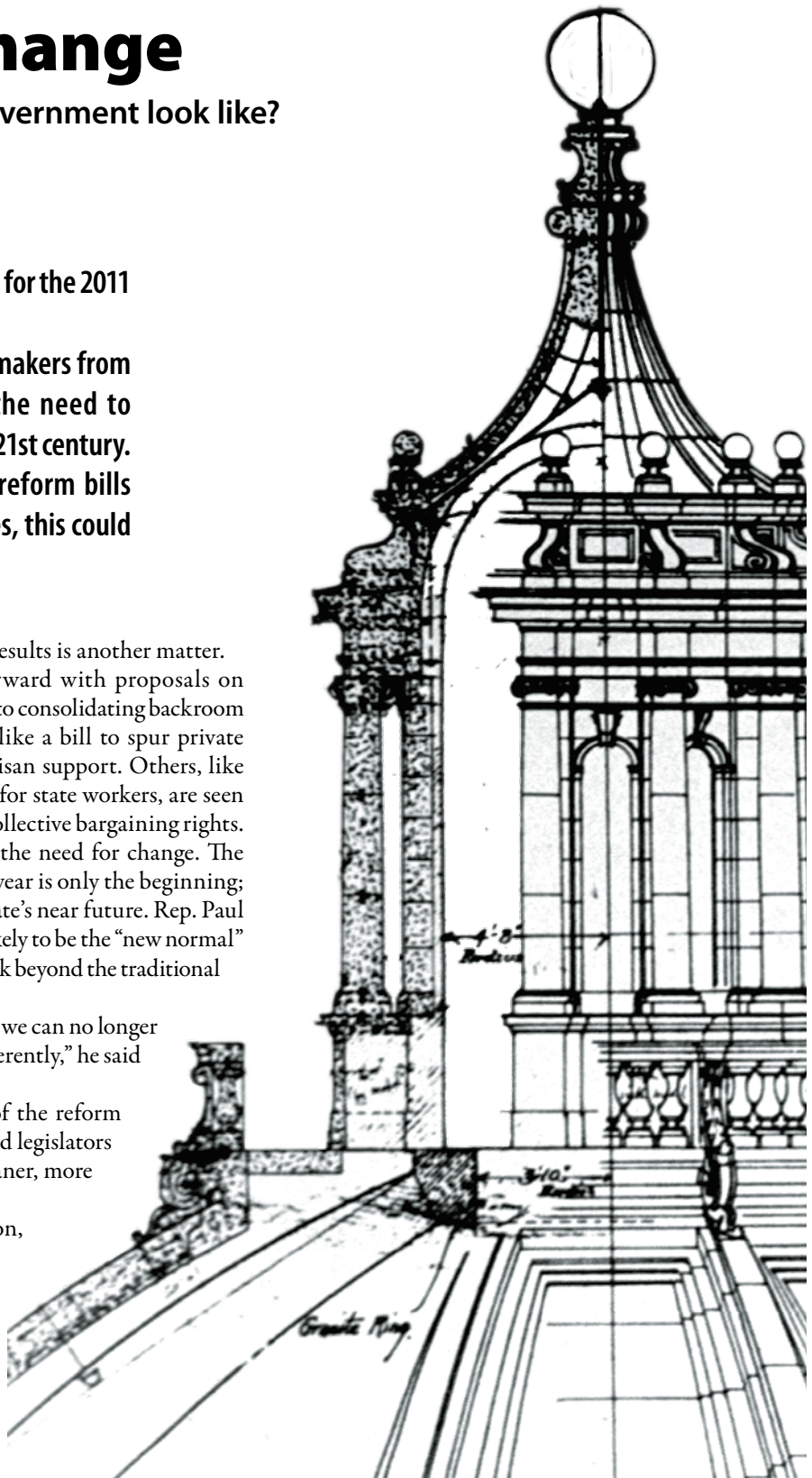
But if there's one thing both sides agree on, it's the need for change. The \$5 billion deficit lawmakers are grappling with this year is only the beginning; structural budget gaps are predicted well into the state's near future. Rep. Paul Marquart (DFL-Dilworth) said budget deficits are likely to be the "new normal" for Minnesota, and lawmakers are going to have to look beyond the traditional tools to fix the problem.

"We can no longer tax our way out of these things, we can no longer cut our way out. We have to look at doing things differently," he said at a March 7 press conference.

Rep. Keith Downey (R-Edina) sponsors many of the reform bills progressing through House committees. He said legislators and state workers need to embrace the need for a leaner, more efficient state government.

"Everything we've done in this legislative session, every bill that I've offered, has been a way to intentionally and strategically and in a playful way prepare ourselves for that reality," he told members of the House State Government Finance Committee.

But when that reality finally comes, what will it look like? Changes already underway in Beltrami County and the Department of Administration offer some clues.



Cass Gilbert's State Capitol blueprint courtesy of the Minnesota Historical Society, photo illustration by Paul Battaglia

First Reading continued on page 4

Measuring results

If there is a model for redesigning government, it might be found in Beltrami County.

Four years ago, county officials found themselves in a predicament familiar to state lawmakers: a growing demand for services and not enough funding to provide them. But with the county's relatively small tax capacity already stretched thin, they decided raising new revenues wasn't an option.

Instead, they began a transformation into what County Administrator Tony Murphy calls "outcome-based government." Rather than focus on funding services and programs, county officials began to ask how they can achieve the desired end results. The difference might sound slight, but it requires a dramatic rethinking of how services are provided.

"You have to go back and kind of ask the fundamental question again: What is it that we're really trying to accomplish here?" Murphy said.

Murphy discovered that many county employees believed that their primary customers were not county residents, but rather state regulators. Their goals were not to ensure that county services produced good results, but rather to spend as much money and serve as many people as possible.

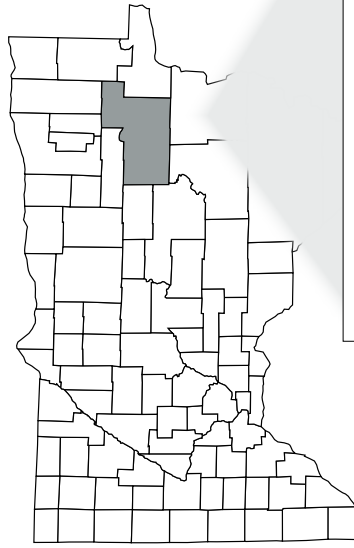
They began to change all that. Murphy and his colleagues began developing quantifiable goals they could use to measure their success. They began forcing different departments to coordinate with each other and combine their efforts. For the first time, they asked questions like, "How can we help families on welfare find a way out of poverty?" and "How can we make sure people who go through chemical dependency treatment stay sober?"

The results speak for themselves. Four years into their experiment, Murphy said they're providing more effective services with 13 percent fewer employees; they've also cut property taxes and replenished their budget reserves.

To some, the notion of measuring results and tracking outcomes might seem obvious. But according to Murphy, it's not the way government was designed.

"We weren't asked to deliver results; we were asked to deliver services," he said.

The county's move to outcome-based government is still in its infancy, according to Murphy. Other counties are undertaking similar efforts, but they're all running up against a big obstacle: the state. Since most of



Beltrami County

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Well into their experiment, they're now providing more effective services with 13 percent fewer employees; they've also cut property taxes and replenished their budget reserves.

what counties do is carry out state-mandated services, Murphy said state statutes and rules don't allow counties flexibility to innovate and try new approaches.

"We've got to get some new ideas into the pike, and the only way to do that is to take off some of the shackles, remove some of the barriers to innovation," he said, adding that his and other counties are developing a list of proposed legislative changes that they will submit to lawmakers.

Finding inefficiencies

Beltrami County isn't the only government trying to innovate. Officials from the Department of Administration have launched their own effort to eliminate waste and inefficiency in government. To do it, they're enlisting the help of people most familiar with the inefficiencies in the system: the employees.

Tom Baumann, manager of the department's Office of Enterprise Continuous Improvement, coordinates the state's Enterprise Lean program. Launched in 2007, the program focuses on breaking down government processes and making them more efficient. Executive branch employees are brought together for "kaizen events" — a Japanese term meaning "improvement" — in which they work cooperatively to identify outdated, overly complex processes and simplify them. Bauman said the power of the program is in its reliance on workers.

"In a lot of ways, senior leaders really don't understand where the improvement opportunities lie," he said.


Enterprise Lean is particularly useful for streamlining processes that involve a lot of paperwork and multiple layers of bureaucracy. At one recent kaizen event, Revenue Department employees identified processes by which they could decrease their amount of mail returned by the U.S. Postal Service by 5 percent to 6 percent — a potential savings of \$800,000 to the state.

Such incremental changes aren't going to solve the state's \$5 billion budget shortfall this year, but over time they will accumulate and lead to better, more accountable government. Many of the reform bills in the House recognize the need to engage state employees in redesign. Rep. King Banaian (R-St. Cloud), who sponsors a bill that would require the state to use zero-based budgeting, said mid-level managers know best where to find the savings in government.

For some DFLers, the question is not whether state workers will be engaged in reforming government, it's how they will be engaged. Rep. Kerry Gauthier (DFL-Duluth) criticized some of the Republicans' more controversial reform plans at the March 9 House State Government Finance Committee meeting.

"We have sat here for two months and heard time after time that we have the leanest workforce, that the workforce is underpaid... and yet we come with bills with pay cuts, and contracting out and outsourcing," he said.

But Downey argues proposals to change the way employees are compensated and spur new methods of delivering state services will ultimately be good for employees as well as taxpayers.

"This is about empowering people and valuing people — not the structures, not the organization, not the processes that we've locked them into," he said. 

HIGHLIGHTS

MARCH 3 - 10, 2011

Editor's note: The following Highlights are coverage of select information heard in House committees and other House activities held March 3-10. Designations used in Highlight summaries: HF-House File; SF-Senate File; Ch-Chapter; and *- the bill version considered by the House or the bill language signed by the governor.

Agriculture

EAW relief for ethanol plants

Ethanol plant owners seeking to build or expand production facilities would no longer be required to have an Environmental Assessment Worksheet prepared by the Pollution Control Agency, under a bill on its way to the House Environment, Energy and Natural Resources Policy and Finance Committee.

Sponsored by Rep. Bob Gunther (R-Fairmont), HF716 would repeal the Environment Quality Board rule that requires an environmental worksheet be done for ethanol plants that plan to produce more than 5 million gallons per year. It does not remove the requirement for a more comprehensive and costly study known as an Environmental Impact Statement. The worksheet is often the precursor to see if an EIS is needed.

The House Agriculture and Rural Development Policy and Finance Committee approved the bill March 8 and referred it to the environment committee. Some committee members expressed concern over removing another step in the public's ability to review such projects. Rep. Rick Hansen (DFL-South St. Paul) said the public is providing subsidies to ethanol producers and that assurances need to be in place to ensure that plant operations will not harm the environment.

Rep. Paul Anderson (R-Starbuck) said because current fuel prices keep rising, it is important to support the ethanol industry, which contributes 10 percent of vehicle fuels used in the state.

The bill's companion, SF435, sponsored by Sen. Julie Rosen (R-Fairmont), awaits action by the Senate Environment and Natural Resources Committee.

— S. HEGARTY

AMPUTEE AWARENESS



PHOTO BY TOM OLMSCHIED

Mike Schulenberg, left, of Shoreview, talks in Rep. John Persell's office about his 10-year battle with a cancerous tumor in his leg before having his leg amputated. Schulenberg was trying to get support for a bill that would increase access to necessary care and coverage of orthotic and prosthetic assistive devices.

A grazing 'win-win'

Allowing cattle to graze on publicly owned land could be a win-win situation for ranchers and the Department of Natural Resources looking for ways to maintain its thousands of acres. But before it happens, there may need to be some legal protections in place for owners and the public.

Rep. Paul Anderson (R-Starbuck) has an "idea in progress" that would ensure that a private owner grazing livestock, under an agreement with the DNR, would not be liable for a death or injury to a person that occurs as a result of the livestock being in the field.

While there was general agreement March 7 in the House Civil Law Committee that Anderson's bill, HF625, is a good idea, its unintended consequences was cause to lay it over, at least until some issues could be worked through. The bill has no Senate companion.

Anderson said that pastureland is expensive and in short supply, and the cost for some is hard to cash-flow. This could be a win-win situation, he said, because cattle ranchers would have more land to graze their livestock and the DNR "would have another tool to

maintain the land — trim the grass, keep the weeds down — have the cattle do it."

Joel Carlson, representing the Minnesota Association for Justice, said the bill may not accomplish the sponsor's goals, and could leave open some liability questions.

"The issue is many or most state lands are open for public recreational use, and there is an interplay here about where the liability falls," he said.

He cited language in the bill where the exception to the immunity addresses willful and reckless disregard for the safety as it relates to a condition of a lease agreement and not as it relates the public welfare.

Rep. Bill Hilty (DFL-Finlayson) suggested review of other public land-grazing agreements from states where it is allowed would be beneficial.

— L. SCHUTZ

Developing a hemp industry

Although not currently allowed by the federal Drug Enforcement Administration, Minnesota could become one of the first states to allow growing hemp as an industrial crop, under a bill approved by the House

Agriculture and Rural Development Policy and Finance Committee March 9.

Rep. Phyllis Kahn (DFL-Mpls) sponsors HF759, which would create state regulations governing the growing, cultivation and distribution of industrial hemp as a cash crop. The Department of Agriculture's rulemaking authority is contingent upon the U.S. DEA legalizing hemp production.

The bill was referred to the House Public Safety and Crime Prevention Policy and Finance Committee. It has no Senate companion.

Kahn said several other states have similar laws in order to "jumpstart" production if and when the federal government rules are overturned.

Historically, hemp was grown in Minnesota during wartime and used to manufacture twine and rope. Farmers would likely plant hemp as a rotation crop, along with corn and alfalfa, according to Thom Petersen, policy director for the Minnesota Farmers Union. It's also been emerging as a material used in a new type of concrete.

Grown legally in Canada, hemp is used to make paper products, clothing and bio-fuel. It also is desired as an organic crop.

Although it is in the same family as marijuana, it does not have the same chemical

drug characteristics commonly linked to marijuana, said former Rep. Steve Dehler, who testified in favor of the bill. Dehler said the legalization of industrial hemp could increase economic resources for farmers. Chris Radatz, director of public policy for the Minnesota Farm Bureau Federation, said his members also support researching hemp as a potential crop.

Rep. Rick Hansen (DFL-South St. Paul) suggested that when policies regarding legalized hemp production are written, the Department of Agriculture also consider state and local regulations regarding noxious weeds.

— S. HEGARTY

Business & Commerce

Free market for ticket resale

If you buy a concert or event ticket, it's yours to use, give away or sell without conditions. That's the premise of a bill sponsored by Rep. Joe Hoppe (R-Chaska).

HF657 would prohibit ticket issuers from imposing conditions on a ticket resale, such as limiting where it may be resold, or requiring the original purchaser's photo identification or credit card for entrance in lieu of a paper ticket.

The House Commerce and Regulatory Reform Committee approved the bill March 9 and sent it to the House floor. Its companion, SF425, sponsored by Sen. Chris Gerlach (R-Apple Valley), awaits action by the Senate Judiciary and Public Safety Committee.

The bill would ensure "open transferability," which is critical for a free market and best for consumers, said Dustin Brighton, senior manager of government relations with EBay Inc., which owns popular online ticket market StubHub that counts 220,000 Minnesota customers.

Brighton said some issuers, such as Ticketmaster, restrict resale of its paperless tickets to the company's own ticket exchange, and prohibit selling below face value or even giving a ticket away to a friend.

"Technology should be used to empower consumers as opposed to restricting them," Brighton said.

However, representatives of local sports and theater venues told committee members that outside businesses such as eBay should not dictate Minnesota business practices and said paperless tickets have some advantages.

Ticket fraud is mitigated by electronic

tickets, said Dave St. Peter, Minnesota Twins president. Minnesota Vikings ticket sales manager John Neppl said the ease and convenience of paperless tickets is a plus for season ticket holders who don't need to keep track of paper tickets that can be lost or stolen.

Jim Sheeley, vice president of venues for Hennepin Theatre Trust, said customers who buy tickets directly from the venue or artist's representative avoid shady ticket resale practices such as the experience of a Minneapolis woman who thought she was buying expensive front row seats from the Orpheum Theatre online, but really purchased back row seats from a scalper whose website seemed legitimate.

— K. BERGGREN

Civil Law

Fees for association records passed

Costs could be charged for copies of common interest community association documents, under a bill passed 128-0 by the House March 7.

People living in a condominium, townhouse or other common interest community generally belong to an association that pays for such things as lawn care and snow removal.

The association financial records, membership, board minutes, contracts and other agreements are available for owner review, but not copies.

Rep. Phyllis Kahn (DFL-Mpls) sponsors HF362 that would allow owners to have copies of the documents and would permit the association to charge a fee for copies; however, no more than 25 cents per page could be charged for 100 or fewer pages of black and white copies. Excluded from access, however, would be records related to information that was the basis for closing a board meeting.

"This will keep confidential records confidential," Kahn said.

The bill now goes to the Senate where Sen. Larry Pogemiller (DFL-Mpls) is its sponsor.

— L. SCHUTZ

Education

New concept in deciding teacher pay

Advocates of HF269 say the contract determination method it recommends is good for teachers and students. Opponents



PHOTO BY ANDREW VONBANK

Rep. Kory Kath inspects a bag of hemp seeds during a March 9 discussion of a bill that would create an industrial hemp industry in Minnesota. The bill's sponsor, Rep. Phyllis Kahn, provided the edible seeds to members of the House Agriculture and Rural Development Policy and Finance Committee.

say it amounts to a wage freeze for teachers and inhibits collective bargaining.

Rep. Keith Downey (R-Edina), the bill's sponsor, told the House Education Finance Committee March 8 the bill is based on the "qualified economic offer" concept. Very simply, if a school district offers teachers a biennial contract including a total compensation increase equivalent to the increase in district funding from the state, teachers cannot strike. Total compensation would include benefits. Teachers could strike for non-economic reasons.

The committee laid the bill over for possible inclusion in an omnibus bill. Its companion, SF250, sponsored by Sen. Julie Rosen (R-Fairmont), awaits action by the Senate Education Committee.

"We see this as a pro-teacher bill," said Jim Bartholomew, education policy director with the Minnesota Business Partnership. He said a key reason for frequent program cuts and teacher layoffs, especially of younger teachers, is that school boards have consistently settled contracts for more than their revenues allow. "From our perspective the current negotiation structure doesn't work, and students are suffering because of it."

Several DFL members said the bill is one of several in play that would unfairly limit teachers' rights.

"The idea about preventing strikes is smoke and mirrors. This is about honest collective bargaining and restricting it," said Rep. Linda Slocum (DFL-Richfield).

"I want to know if your caucus has had discussions on collective bargaining restrictions and if that's a serious caucus position," said Rep. Mindy Greiling (DFL-Roseville).

Committee Chairman Pat Garofalo (R-Farmington) said nobody in the room was authorized to speak for the majority caucus, but noted the alternative licensure law signed by the governor contains a restriction on collective bargaining.

Downey said the concept would "only (be) invoked if the district can't come to an agreement and wants to be protected from having to offer an increase greater than what the state has offered that particular district."

The bill would expand the concept to all district employee groups, and it excludes a district's fund balance from the calculation of the settlement.

— K. BERGGREN



PHOTO BY TOM OLSCHIED

Former Chief Clerk of the House Ed Burdick served in the role for 38 years.

Former Chief Clerk Ed Burdick passes away

The longtime voice of the House of Representatives has died.

Edward A. Burdick, the former chief clerk of the House, passed away in his sleep March 9. A 62-year employee of the House, Burdick spent the last 38 years as the chief clerk before retiring in 2004.

"Ed Burdick was an example for us," said Rep. Mary Murphy (DFL-Hermantown).

Burdick, a nationally recognized expert on parliamentary procedure, began his House career in 1941 as a page, was named chief page two years later; became an assistant at the front desk in 1947; and was elected chief clerk in 1967. He missed just one session (1951), for active military duty.

"I've paid my dues and I'm going to move on. I'm comfortable with my decision," he said at the time of his retirement in an interview for Session Weekly.

On the House floor March 9, Murphy and Rep. Greg Davids (R-Preston) spoke of the eloquence, grace, authority and humor with which Burdick did his job.

Davids remembered a time when the clock struck midnight on the last night of session when the Legislature was to constitutionally adjourn, but hadn't yet finished its work.

"All the Republicans are standing up screaming, standing on their chairs,

saying 'Mr. Speaker, Mr. Speaker, we have to adjourn sine die.' ... Speaker Bob Vanasek leaned forward and said, 'Mr. Chief Clerk Burdick what time is it?' And Ed Burdick turned around and said, 'Mr. Speaker, what time do you want it to be?'"

"Ed was a Minnesota icon and the spirit of the Minnesota House of Representatives," House Speaker Kurt Zellers (R-Maple Grove) said in a statement. "Our chamber at the State Capitol will stand united today in memory of a fine man who truly defined the meaning of public servant. He will be greatly missed. Our thoughts and prayers are with his family and friends."

"The House chamber will possess an emptiness and a little less spirit given Ed's passing," House Minority Leader Paul Thissen (DFL-Mpls) said in a statement.

When he was appointed chief clerk in 2005, Al Mathiowetz admitted he was fortunate to have worked with the deep-voiced Burdick and had the opportunity to follow in the footsteps of someone of legendary status.

"He obviously had a lot of patience with me and a lot of encouragement over the years. There isn't a better teacher around. I can say that I probably had 33 years of the Ed Burdick University of Parliamentary Procedure."

— M. COOK

DIGITIZING HISTORY



PHOTO BY TOM OLMSCHIED

Members of the House State Government Finance Committee and the House Legacy Funding Division get a close look at the digitizing center, where historical land survey notes are copied for access by the public, during a March 8 tour of the Minnesota History Center.

Change to teacher contract process

Rep. Tim Kelly (R-Red Wing) considers teachers essential public employees, like firefighters, police officers and school principals. HF339, which he sponsors, would require teachers and districts to negotiate only when school is not in session, and forbid teachers from striking if they can't settle on a contract.

The proposed changes would "ensure no disruption of that essential job of educating our children," Kelly told members of the House Education Reform Committee March 8. He said contentious negotiations, especially while school is in session, can damage community relationships.

A companion, SF208, sponsored by Sen. David Hann (R-Eden Prairie), awaits action by the Senate State Government Innovation and Veterans Committee.

The bill would eliminate the Jan. 15 contract deadline and districts' financial penalty for failing to settle by then. Bargaining would occur during the three-month period preceding Sept. 1 in an odd-numbered year, with negotiations suspended until the equivalent period the following

even-numbered year if an agreement is not reached. If no contract is settled by Sept. 1 of the second year, an arbitrator selected by the Bureau of Mediation Services would make a binding determination based on a final offer total package from each party.

Education Minnesota Chief Lobbyist Jan Alswager said the current deadline "has been one of the best tools to get contracts settled" in 99 percent of negotiations in the 17 years it's been in statute.

Rep. Tom Tillberry (DFL-Fridley) said the bill would impose statutory control over a process that should be local. "Why bother having school boards?" Tillberry asked, if negotiations could eventually be given over to a third party to decide. He endorsed collaborative, or interspace bargaining, as a less adversarial option that has worked well in Roseville schools, where he has worked for 14 years.

"This is about local control," said Rep. Kim Norton (DFL-Rochester), who sponsors HF464, which would make similar contract process changes, but retains teachers' ability to strike. It has no Senate companion.

She said the Rochester school district

uses interspace bargaining, but even good negotiations can reach an impasse. "You need a process to get you over that last hump."

The committee approved both bills. The House Education Finance Committee held them for possible omnibus bill inclusion March 10.

— K. BERGGREN

School mandate reductions advance

Some provisions in a mandate reduction bill took the House Education Finance Committee March 8 down a path of debate on issues of teachers' rights as union members and their relationship with school district management.

Committee Chairwoman Sondra Erickson (R-Princeton) sponsors HF511, which contains a variety of provisions that would give school boards more flexibility on some spending and hiring decisions and would also lift a Jan. 15 contract deadline that Education Minnesota favors.

Approved by the committee the bill next goes to the House Ways and Means Committee. It has no Senate companion.

"We are really at a fundamental

philosophical crossroads here. And I wouldn't have expected that this conversation would start here but it's certainly going to continue bubbling throughout the rest of the session," said Rep. Tom Anzelc (DFL-Balsam Township), who spoke against some provisions he said would take power away from employees to make decisions that affect their future. He cautioned against a "one-size-fits-all labor-management relationship."

Those were a proposed repeal of the Jan. 15 teacher contract deadline and the \$25 per pupil penalty imposed on districts where a contract isn't signed by then; and a requirement that the school board identify vendors of 403 (b) retirement savings plan in which its employees would invest.

Among other mandates that would be lifted: the maintenance of effort requirement and set-aside of the Safe Schools Levy passed by the House as HF88, sponsored by Rep. Connie Doepke (R-Orono); a requirement that school boards of districts with a population less than 10,000 hire a licensed community education director; and for 2012 and 2013 only, the requirement that 2 percent of a district's general revenue be used for staff development.

Other provisions would allow school boards to hold meetings via interactive technology with audio and visual links; require the education commissioner to receive legislative authority before making substantive special education rule changes and before adopting social studies standards revisions planned. The revisions would also be delayed a year until 2014-2015 instead of 2013-2014 as scheduled now.

— K. BERGGREN

Governor signs pathways licensure

Signed
by
the
governor

Midcareer professionals and others pursuing a nontraditional route to teacher licensure will be able to earn a two-year license, renewable for a third year, and become eligible for full licensure, under a new law signed March 7 by Gov. Mark Dayton.

Sponsored by Rep. Pat Garofalo (R-Farmington) and Sen. Gen Olson (R-Minnetrissa), the law takes effect Aug. 1, 2011.

The law includes quality assurances, such as content-specific examinations and performance assessments of teachers in both standard and alternative pathways to licensure, and grants the Board of Teaching authority to rescind an alternative teacher

preparation program that fails to meet those or other requirements laid out in the law.

Alternative licensure candidates who meet all criteria will be granted a two-year limited license which the board may renew for an additional year, and may prepare for a standard teaching license. Candidates must have a 3.0 or higher grade point average or a waiver from the board; pass basic reading, writing and math skills exams; and obtain qualifying scores on board-approved content and pedagogy exams.

Teachers with out-of-state licensure from accredited programs will also have a streamlined route to Minnesota licensure.

HF63/SF40*/CH5

— K. BERGGREN

Billing change could recoup costs

Minnesota school districts are eligible for reimbursement from the federal government or private insurers for health-related services they provide to students with an individualized education program, but at least 20 districts don't apply for it.

Rep. Carol McFarlane (R-White Bear Lake) sponsors HF535, which would streamline third-party billing. The changes would cost a projected \$472,000 for fiscal years 2013 and 2014, mostly for Human Services Department personnel who handle the claims, but school districts stand to gain millions.

McFarlane told members of the House Education Finance Committee March 9 the number of districts who do apply has grown significantly from 77 districts that received \$541,000 in such reimbursements in 2000-2001 to 319 districts receiving \$34 million in 2009-2010. The committee approved the bill and held it over for possible inclusion in a later bill. It has no Senate companion.

McFarlane said the application process remains cumbersome for districts and cloudy for some parents who are required to sign a consent form but don't understand what it's for. Parents would consent to allow districts to release information in a child's IEP to the human services commissioner so the district may be reimbursed.

The bill would require a district to provide an initial and annual written notice to parents of its intent to seek reimbursement. Parents would have the right to request a copy of the child's education records on what services are being disclosed to a third-party payer; withdraw consent for such disclosure with no negative consequence to their eligibility for MinnesotaCare or Medical Assistance, including a written statement

to that effect. The bill also would require that parents of a child with a disability be informed "in understandable language" of procedural safeguards and parents' ability to withdraw consent.

"Federal flow-through dollars that have no cost to Minnesota taxpayers are very important to our school districts and we want to be able to access these dollars, certainly, at a time when revenue for schools is needed," said Kay Dole, a district program facilitator with Minneapolis Public Schools.

— K. BERGGREN

More trust money to classrooms

Lands owned by the state's Permanent School Fund and managed by the Department of Natural Resources generate money for Minnesota's public schools, but they could generate much more, Rep. Denise Ditrach (DFL-Champlin) told the House Education Finance Committee March 10.

She sponsors HF207, which would ensure more of the revenue ends up in classrooms across the state. The committee laid the bill over for possible inclusion in an omnibus bill. It has no Senate companion.

Permanent School Fund lands generate income from forestry, minerals and mining rights and other uses that are constitutionally directed to public schools. Oversight of the fund's income and distribution has been lax over the years for various reasons, Ditrach said.

Trust land revenue goes into a minerals management account, which is a type of holding account. From that account, land management costs are paid to the DNR, but Ditrach said the records have been spotty and too little revenue has found its way to the trust itself.

"I do think it is a diversion of funds to take the management costs out," Ditrach said.

The bill would exempt proceeds from mineral leases on school trust lands from a current requirement that 20 percent of those be deposited into the minerals management account. Those would go to the permanent school fund instead. The bill would instead appropriate a yet-unspecified amount from the General Fund to the DNR to cover the costs of minerals management activities on school trust lands.

Bob Meier, assistant DNR commissioner, estimated about \$20 million net will be deposited into the account for fiscal year 2011. He said about \$2.9 million a year was being spent to manage the lands and that would be true no matter who managed them.

— K. BERGGREN

Elections

Felon voting rights

Rep. Bobby Joe Champion (DFL-Mpls) wants to make sure those who can vote do, and those who can't don't.

Champion sponsors HF718, which would require that felons be notified when their right to vote is taken away, and when it is restored. The House and Senate passed a similar bill last year, but it was vetoed.

The House Government Operations and Elections Committee approved the bill March 9 and referred it to the House Judiciary Policy and Finance Committee. There is no Senate companion.

Champion said the bill would make sure that those who are convicted of a felony-level offense understand clearly that their right to vote has been revoked. Almost all known cases of voter fraud in the last several elections stemmed from convicted felons voting.

The bill would also require that a Corrections Department official or probation officer issue a written notice to a felon discharged from their sentence that their right to vote has been restored.

Beth Fraser, director of governmental affairs for the Office of the Secretary of State, said the office "strongly supports" the bill.

"Most of the felons who do vote did not realize that they did not have the right to do so," Fraser said.

She added that the bill would make it easier to prosecute felons for illegal voting, since they will now be clearly notified that they do not have the right to do so.

— N. BUSSE

Employment

Performance pay for state workers

State employees who do a good job might have the chance to earn a bonus of at least 5 percent of their salary. One caveat: the bonus would come out of their regular pay.

The House Government Operations and Elections Committee approved a plan March 8 to create a performance pay initiative for executive branch employees. Sponsored by Rep. Kirk Stensrud (R-Eden Prairie), HF756 would require that at least 5 percent of state employees' pay is withheld and paid to the employees only if they receive satisfactory performance appraisals.

The bill now moves to the House State



PHOTO BY ANDREW VONBANK

Russ Stanton, right, director of government relations for the Inter Faculty Organization, testifies before the House Government Operations and Elections Committee March 8 in opposition to parts of a bill that would specify state employee performance appraisal and bonus pay system components. The bill's sponsor, Rep. Kirk Stensrud, listens to the testimony.

Government Finance Committee. There is no Senate companion.

Stensrud said the bill would allow the executive branch to recognize and reward hard work and good behavior by public employees.

"In private industry, this concept has existed since time began — simply the concept that the best and strongest performers are rewarded the most," Stensrud said.

Under the provisions, Minnesota Management & Budget would expand the state's employee appraisal system to include performance pay. Employees would be judged by their individual performance goals, those of their program and that of their agency as a whole. No employees could receive step increases or other additional compensation unless their supervisor judges their performance satisfactory.

Opponents said the bill amounted to a 5 percent cut in state employees' salaries, and suggested it would subject their salaries to the whims of office politics.

"Most of what is going to determine their bonus is way beyond their control ... and what can happen is that management just chooses favorites and rewards the people who are on their team," said Rep. Ryan Winkler (DFL-Golden Valley).

Richard Kolodziejski, legislative affairs director for the Minnesota Association of Professional Employees, was one of several labor representatives to testify against the bill. He said the bill "goes too far" in impinging on employees' collective bargaining rights.

— N. BUSSE

Env. & Natural Resources

Legacy Division debates supplanting

Next year nearly \$90 million from the Clean Water Fund could supplement base funding for ongoing efforts to clean up the state's impaired waters — or will it supplant budgets due to expected cuts?

Rep. Jean Wagenius (DFL-Mpls) told the House Legacy Funding Division March 8 that because budget targets had yet to be released, it was premature to consider HF656, the Clean Water Fund bill, sponsored by Rep. Paul Torkelson (R-Nelson Township). The division approved the bill as amended before laying it over for possible inclusion in the division's omnibus bill.

Wagenius repeatedly asked if funding for clean water projects would be retained in the House majority party's proposed General Fund budget or if she should expect cuts, which might then be construed as the Legacy money supplanting base funding.

"It's your choice to cut, but the constitution says thou shall not supplant," she said.

She pointed to one possible example. The amended bill included a \$500,000 appropriation to study the level of sulfate in wild rice stands. Members of the House Environment, Energy and Natural Resources Policy and Finance Committee had earlier seen a \$1.5 million appropriation in the Pollution Control Agency's budget for the study, which some members considered too expensive. Torkelson said the Clean Water Fund appropriation is one-third of the cost of the study but declined to say where the \$1 million would come from.

Rep. Denny McNamara (R-Hastings), House environment committee chairman said there is value in doing the sulfate study, but "we have a difference of opinion on where the money comes from."

A companion, SF657, sponsored by Sen. Bill Ingebrigtsen (R-Alexandria), awaits action by the Senate Environment and Natural Resources Committee.

— S. HEGARTY

Health & Human Services

Definitions to curb 'frequent flyers'

In the health care world they are called "frequent flyers" — people who inappropriately use ambulance services and hospital emergency department resources by calling on them often, many times when they may not be needed.

Sponsored by Rep. Tara Mack (R-Apple Valley), HF262 would create a new statewide "community paramedic" definition that would aim to curb the problem that advocates say is burdening precious ambulatory and hospital emergency department resources across the state, especially in smaller communities.

Approved March 8 by the Health and Human Services Finance Committee, the bill now goes to the House floor. A companion, SF119, sponsored by Sen. Julie Rosen (R-Fairmont), awaits action by the full Senate.

Brought forward by the Minnesota Ambulance Association, HF262 would allow experienced paramedics in communities across the state to undergo 120 additional hours of training to become certified by the Emergency Medical Services Regulatory Board as "community paramedics."

The bill would require the human services commissioner in consultation with representatives of emergency medical service providers, physicians and local public health agencies to determine specified services and payment rates for community paramedics. Under the bill, paramedics could perform "chronic disease monitoring and treatment; minor medical procedures intended to prevent avoidable ambulance transportation or avoidable hospital emergency department use; provision of patient information and care referral options for meeting physical and mental health care needs." Such procedures would be covered by Medical Assistance.

Rep. Erin Murphy (DFL-St. Paul) successfully amended the bill to modify the language to include the consultation of a public health nurse. The Minnesota Nurses Association opposed the bill's original language because "it was a threat to the practice of nursing and a risk to patient safety."

O.J. Doyle, a retired paramedic and legislative consultant to the ambulance association, said the bill mirrors a pilot program recently conducted in Fort Worth, Texas that put so called "frequent flyers" into a planned care program and, as a result, saved local ambulatory services and hospital emergency departments \$564,000.

— H. LONG

Blocking 'Obamacare'

Rep. Glenn Gruenhagen (R-Glencoe) believes the federal Patient Protection and Affordable Care Act that President Obama signed into law nearly one year ago is not only unconstitutional, but will prove to be an economic and health care disaster for Minnesota and the country.

He sponsors HF468, which would prohibit the expenditure of any state funds to comply with implementation of the new federal health care law until the U.S. Supreme Court rules on the constitutionality of the act, often referred to as "Obamacare."

The bill, which the Health and Human Services Reform Committee approved on a 12-8 party-line vote March 8 and referred to the House Health and Human Services Finance Committee, comes on the heels of a ruling last month by a U.S. District Court judge in Florida that the act is unconstitutional. In his ruling, Judge Roger Vinson issued a stay on implementation of the health care reform. As a response, the Obama administration issued an appeal to Vinson's ruling and asked the judge to tell the states they must follow the legislation pending the appeal, which is expected to be taken up by the U.S. Supreme Court.

"(Obamacare) is a formula for destroying the private insurance market and ultimately moving everyone to a government-run system," Gruenhagen said.

His opinion was not shared by the eight DFL committee members who voted against the bill after unsuccessfully offering a series of amendments that attempted to modify its language to allow implementation of portions of the act that eliminate lifetime benefit caps for applicants diagnosed with chronic or terminal illnesses and prohibit denial of health insurance coverage for children with preexisting chronic or terminal illnesses.

Rep. Erin Murphy (DFL-St. Paul) defended the constitutionality of the federal act, comparing it to Medicare and saying that both can be considered tax policy.

"It seems to me that there is at least a plausible argument that (the Affordable

Care Act) is constitutional, just as Medicare is constitutional," she said.

A companion, SF277, sponsored by Sen. Sean Nienow (R-Cambridge), is scheduled to be heard March 14 by the Senate Health and Human Services Committee.

— H. LONG

Nurses becoming part of a compact

Nurses working in Minnesota who want to practice in other states must obtain an additional license to do so. That may change.

Rep. Kim Norton (DFL-Rochester) sponsors HF462, which would establish Minnesota as a member of the Nurse Licensure Compact and permit multi-state practice for registered nurses and practical/vocational nurses who are licensed and practice in compact states.

Twenty-four states are compact members, including North Dakota, South Dakota, Iowa and Wisconsin.

Norton said she believes the proposed legislation "will help bring Minnesota a step closer to the future in health care" in technological advancement and home-care models.

Representatives from a number of Minnesota-based health care organizations testified before the House Health and Human Services Reform Committee March 9 in support of the bill. Approved on a 15-6 vote, the bill was referred to the House Health and Human Services Finance Committee.

The Minnesota Nurses Association opposes the bill. Its representatives maintain that becoming a compact state would compromise the state's responsibility for establishing requirements for initial and continued competency of non-resident nurses. It also maintains that the state would lose revenue under the compact due to a decrease in license registration and renewals.

When the nurses union enacted a one-day nursing strike last year, more than 3,400 nurses applied for temporary permits to work in Twin Cities metropolitan area hospitals, said association President Linda Hamilton. A nursing license costs \$105 for a two-year period, after which it can be renewed for \$85.

"If Minnesota had been a compact state, this would have resulted in a loss of nearly \$400,000 to our state," Hamilton said.

Despite the claim, Board of Nursing Executive Director Shirley Brekken said compact states have not reported significant losses in licensing revenue.

Norton cited Minnesota's "snow birds" who live in southern states during the winter as an



PHOTO BY ANDREW VONBANK

Shirley Brekken, left, executive director of the Board of Nursing, testifies before the House Health and Human Services Reform Committee March 9 in support of a bill that would provide nurse licensure compact and appointments. Rep. Kim Norton, right, sponsors the bill.

example of those who would benefit from the state entering into the compact. According to current regulations, Minnesota nurses cannot dispense advice over the phone or Internet to patients physically in another state if the nurse does not have a license for that state. Patients who live near the state border would also benefit from the compact, she said.

A companion, SF230, sponsored by Sen. Chris Gerlach (R-Apple Valley), awaits action by the Senate Health and Human Services Committee.

— H. LONG

Higher Education

Tuition freeze proposed

For the better part of the past decade, tuition has increased every year at the University of Minnesota and the Minnesota State Colleges and Universities system.

Rep. Chris Swedzinski (R-Ghent) would like to stop the trend. He sponsors HF856 that would freeze tuition for Minnesota undergraduates attending a MnSCU institution or the university for fiscal years 2012 and 2013. After that, tuition could not be raised more than the Consumer Price

Index for the preceding calendar year.

"This would address the short-term impact of tuition increases on students and families in Minnesota, but would also provide for long-term tuition guidance for Minnesota students and their families, along with MnSCU and the university," he said.

The bill was held over March 8 by the House Higher Education Policy and Finance Committee for possible omnibus bill inclusion. A companion, SF268, sponsored by Sen. John Carlson (R-Bemidji), was laid over Feb. 16 by the Senate Higher Education Committee for possible omnibus bill inclusion.

Swedzinski said the bill would force MnSCU and the university to make "true, structural reforms to push revenues to the classroom and reduce administrative costs."

Rep. Tom Rukavina (DFL-Virginia), applauded Swedzinski for his effort to address tuition and costs, but noted that nowhere in the bill does it say administrative costs must be cut. "I'm sure 65 up to 70 percent of their costs are salaries and benefits to their employees. What you're going to do is shut down classrooms and offerings and maybe do more harm than good." He also fears fees could be raised to make up for any shortfall.

Rep. Terry Morrow (DFL-St. Peter) said

"it'd be great in theory," but said a better way to help students is with a good budget target. "It'll have a whole lot more impact on what'll happen to tuition."

Much of the discussion centered on the reduction in state appropriations in the past decade. Russ Stanton, director of government relations for the Inter Faculty Organization, noted that in fiscal year 2002, two-thirds of collegiate costs were borne by the state. That number has since dropped to 43.4 percent.

"Relying on tuition increase is not a sustainable model in the long term," said Travis Johnson, president of the Minnesota State College Student Association.

— M. COOK

Ensuring MnSCU credit transfer

Rep. Jim Abeler (R-Anoka) wants to ensure that all credits taken by a student at an institution within the Minnesota State Colleges and Universities system are worth something if the student changes schools. He sponsors HF717 that would require MnSCU to adopt a policy whereby its schools must "grant credit for a course that is taken for credit at any of the colleges or universities in the system."

The bill was held over March 3 by the House Higher Education Policy and Finance



PHOTO BY ANDREW VONBANK

Travis Johnson, president of the Minnesota State College Student Association, left, and Geoff Dittberner, the association's vice president, testify before the House Higher Education Policy and Finance Committee March 8 about a bill that would freeze tuition for Minnesota undergraduates attending a MnSCU institution or the University of Minnesota in fiscal years 2012 and 2013. Rep. Chris Swedzinski, right, is the bill sponsor.

Committee for possible omnibus bill inclusion. A companion, SF603, sponsored by Sen. Michael Jungbauer (R-East Bethel), was laid over March 9 by the Senate Higher Education Committee.

This is one more way to let students know we think their work is valuable, Abeler said. "If you can't transfer 100 percent of your credits from a MnSCU institution to another MnSCU institution, then where should they transfer?" He said that currently 91 percent of credits transfer.

If credits earned at a first school don't necessarily match up to a receiving school's class description, they could be transferred as elective credits, under the bill. For example, Abeler said English 101 could mean more reading at one school and more writing at another. "If it can't be a credit for the English class, at least it could go against their elective class," he said.

Rep. Jeanne Poppe (DFL-Austin), a counselor at Riverland Community College, noted that a Minnesota Transfer Curriculum already exists to help students taking a class at one school see how it will transfer to another school. She said students need to take some personal responsibility for knowing what must be done to reach their goal.

Rep. Kim Norton (DFL-Rochester) said this bill could be a case of putting the cart before the horse because a 2010 law requires MnSCU to "develop and implement a plan to improve credit transfer within the system." That work is ongoing.

It may not be a perfect bill, but it's a start, said Rep. Mike Benson (R-Rochester).

— M. COOK

Local Government

Anxiety over annexation changes

Opponents fear a proposed change will revive the "annexation wars" between large and small cities, but supporters say it's better for individual landowners.

Sponsored by Rep. Larry Howes (R-Walker), HF753 would allow a property owner whose land sits on a municipal boundary line to petition to have their land detached and annexed from one city to another, providing that at least one city supports the change. Under current law, both cities must support the proposed annexation.

With the support of a resolution from one of the affected cities, a property owner could take his case to an administrative law judge, who would have the power to order

the detachment and annexation. Howes said judges would serve as a check against annexations that would be unfair to an affected municipality.

"If (the judge) sees that it's going to harm one of the cities or that owner or other owners, they're not going to follow through with that," he said.

The House Government Operations and Elections Committee approved the bill March 8 and sent it to the House floor. It has no Senate companion.

Howes said the proposed change was supported by the recommendations of the Municipal Boundary Adjustment Advisory Task Force — a bipartisan group assembled by the Legislature to review annexation laws. The task force issued its final report in 2009. Howes noted that the League of Minnesota Cities and the Minnesota Association of Townships support the bill.

Bruce Messelt, city administrator for Lake Elmo, warned that the bill could revive the "costly border wars" — expensive legal disputes — that occurred before the law was changed in 2006 to require support from both affected cities.

"We're very concerned that this would basically create zoning shopping — that if you're not satisfied in your own community, you simply go to another elected body and create that conflict up front," he said.

— N. BUSSE

Park fee on construction

Rep. Frank Hornstein (DFL-Mpls) is "hoping the third time's the charm" for a bill that would let the City of Minneapolis impose a fee on new construction to help pay for parks.

Sponsored by Hornstein, HF852 would piggyback on legislation he previously carried to allow the Minneapolis Park Board and the city to impose a fee on new residential housing and commercial and industrial developments. The fee would go to fund parks, playgrounds, trails or other facilities open to the public.

The House Government Operations and Elections Committee approved the bill March 8 and sent it to the House floor. Sen. D. Scott Dibble (DFL-Mpls) sponsors the companion, SF640, which awaits action by the Senate Local Government and Elections Committee.

In spite of the successful passage of previous bills, Hornstein said there's still "one more technical tweak" that needs to happen before the law can be implemented.

He noted that other communities in the metro area already have such a fee in place.

"At its core, this bill is about local control — simply allowing Minneapolis to have the same ability that other communities in the region have," Hornstein said.

Erik Nilsson, assistant city attorney, explained that the proposed changes are technical in nature and would merely clarify the intent of previous legislation.

Opponents said they're fine with the law the way it is. Steve Minn, vice president of Lupe Development Partners, said the bill would merely enable what he deemed a "dark-room deal" to tax developers.

Arnie Gregory, president of Greco Real Estate Development, said he is involved in four development projects that would likely not occur if the park fee is imposed. He said a new development in Uptown projected to cost \$39 million would cost an additional \$325,000 in park fees, under the plan.

"There is no city in the state of Minnesota that's more expensive to develop in than Minneapolis," Gregory said.

— N. BUSSE

Military & Vet. Affairs

Income tax break proposed for AGRs

Minnesota law currently provides income tax breaks for members of the Minnesota National Guard and other U.S. military reserves, but not for those who serve on Active Guard and Reserve status.

HF727, sponsored by Rep. Kory Kath (DFL-Owatonna), would grant soldiers and airmen with AGR status the same tax benefits as their counterparts in the guard or reserves. AGR personnel provide support services to the National Guard and Reserve organizations.

The House Veterans Services Division approved the bill March 7 and referred it to the House Taxes Committee. The fiscal impact has not been determined, but is anticipated when the bill reaches the tax committee.

Sen. Katie Sieben (DFL-Newport) sponsors a companion bill, SF392, which awaits action by the Senate Taxes Committee.

— S. HEGARTY

Bills would aid homeless vets

As homeless Navy veteran William Namen sat on a rock contemplating suicide a decade ago, a counselor from the Minnesota Assistance Council for Veterans happened to

WELCOME GOVERNOR



PHOTO BY TOM OLMSCHIED

Park Rapids Mayor Nancy Carroll, right, welcomes Gov. Mark Dayton to a March 9 meeting at the Capitol of mayors from around the state to discuss Local Government Aid, property taxes and community concerns.

come along and asked him if he could help put his life back on track.

At that time, Namen was sleeping in a park and working three jobs. Now gainfully employed, Namen is a homeowner and taxpayer in Dakota County who testified on behalf of a pair of identical bills to appropriate \$250,000 each of the next two years to the council. The funds would be used to continue outreach efforts to homeless veterans or those at risk of becoming homeless.

Sponsored by Rep. Terry Morrow (DFL-St. Peter) and Rep. Kathy Lohmer (R-Lake Elmo), respectively, HF466 and HF866 were approved by the House Veterans Services Division March 7 and referred to the House State Government Finance Committee.

A companion to Morrow's bill, SF609, sponsored by Sen. Kathy Sheran (DFL-Mankato), awaits action by the Senate State Government Innovation and Veterans Committee. Lohmer's bill has no Senate companion.

The council has regional offices in Minneapolis, Duluth and Mankato and manages eight transitional homes for veterans

as they access services such as medical care, chemical dependency treatment and job skills training. The agency works with other social and veterans services organizations so as not to duplicate services. Without the council, Namen said he wouldn't be here today.

— S. HEGARTY

Public Safety

Flexibility in detaining juveniles

The average daily inmate population at the Hennepin County Jail is 685. About six of these inmates are juvenile offenders being tried as an adult for a felony.

The sheriff's office wants the ability to house these juvenile offenders at the county's juvenile correctional facility a few blocks away in downtown Minneapolis, but current state rules and regulation will not allow it. A bill, HF642, approved by the House Judiciary Policy and Finance Committee March 8 would change that. The bill now moves to the House Public Safety and Crime

Prevention Policy and Finance Committee.

"Statistics bear out that if you put a child into an adult facility a child is pretty much going to be there for the rest of their lives," said Rep. Linda Slocum (DFL-Richfield), the bill's sponsor. "An adult facility is a different venue, shall we say, than a juvenile facility."

The differences, officials say, lead to inefficiencies in the operations for housing a juvenile in an adult facility, including nutrition and health services and education opportunities.

"The Hennepin County Sheriff's Office currently provides specialized accommodations to its youthful offenders, but it comes with undue burden both financially and operationally to the sheriff's office," said Capt. Mike Wresh, a facility commander at the jail.

The burdens, Wresh said, include a federal court-mandated requirement that the local school district provide teachers and educational opportunities to juvenile offenders being held in adult facilities. Currently, Hennepin County correctional deputies are resorting to using jail office space

for teaching sessions for juvenile offenders. Wresh said housing the juvenile offenders waiting to be tried as adults in the nearby juvenile corrections center would provide financial and operational efficiency to both the sheriff's office and school district resources.

"If we can serve those juvenile offenders in the juvenile detention center it's a better space, more efficient for us and a better educational setting for the students," said Jim Grathwol, lobbyist for Minneapolis Public Schools.

Wresh stressed that passage of the bill would not mandate juveniles be housed in the juvenile correctional facilities; it would simply give sheriff's and judges more administrative flexibility in determining where such juvenile offenders would be detained as they await adjudication.

The bill has no Senate companion.

— H. LONG

Juvenile prostitutes as victims

Too often teenage girls forced into prostitution are victims of human trafficking.

"We know that once these girls are in, they're threatened, they're brutalized, they cannot get back out," said Jeff Bauer, director of public policy at The Family Partnership.

Current state law doesn't help their cause.

"In our child protection statutes, under the definition of a child in need of protection and services, one of those definitions is any child involved in prostitution," he said. "On the other hand if you look at the criminal statute in Minnesota as it relates to prostitution, that same child is considered a criminal."

Sponsored by Rep. Steve Smith (R-Mound), HF556 would exclude prostitutes from being found delinquent petty offenders, if they are under age 18.

"At no time should the state make children criminals when they are victims," said Rep. Kerry Gauthier (DFL-Duluth).

Approved March 9 by the House Public Safety and Crime Prevention Policy and Finance Committee, it awaits action by the House Judiciary Policy and Finance Committee. It has no Senate companion.

"The trafficking and commercial sexual exploitation of children is a growing problem in the state," Bauer said. "From February to August 2010 the incidences of juveniles being trafficked increased 55 percent."

He said the bill has three main parts:

- it removes prostitution from juvenile delinquency and it redefines prostitution to apply to those 18 years and older;



PHOTO BY ANDREW VONBANK

Heather Boyum, a human trafficking survivor, testifies March 9 before the House Public Safety and Crime Prevention Policy and Finance Committee in support of a bill that would, in part, amend provisions for juvenile prostitutes in need of protection or services.

- it directs the commissioners of health, human services, public safety and others to develop a victim-centered model for how to deal with these children; and
- it increases the fine on adult purchasers of adult prostitution services from \$250-\$500 to \$500-\$750.

"The money would be split between the arresting law enforcement agency — they get some of that to train their officers on how to deal with victims of trafficking and sexual exploitation," Bauer said. "The prosecuting agency gets a little bit of that to incentivize the prosecution of these cases, and the third portion will go into a special fund at the Department of Public Safety to be distributed to service providers who work directly with these children."

— M. COOK

Harassment restraining order update

When a person violates a harassment restraining order by contacting a person via text message, e-mail or Facebook, where is the crime prosecuted?

Sponsored by Rep. Tony Cornish (R-Good Thunder) HF738 would eliminate that

confusion by amending the state harassment restraining order (HRO) to allow the victim to file charges in either the county they reside or the county where the alleged violator resides.

Approved by the House Judiciary Policy and Finance Committee on March 10, the bill was sent to the House Public Safety and Crime Prevention Policy and Finance Committee. It has no Senate companion.

The bill adds language in the state HRO statute that addresses communication technologies used by the violator to contact the victim.

"A person may be prosecuted at the place where any call is made or received or, in the case of wireless or electronic communication or any communication made through any available technologies, where the actor or victim resides..." the added language states.

The bill also includes language that a person who commits HRO violations against another in two or more counties may be prosecuted in any county in which one of the acts was committed.

Rana Fuller, an attorney for the Battered Women's Legal Advocacy Project, cited as an example under current law where a violator establishes contact with the victim at their home in one county and workplace in another, each individual county would have to prosecute the violations separately. HF738 would give counties the ability to prosecute the separate violations together in either county, Fuller said.

"These two changes in statute will give prosecutors the tools they need to hold respondents who violate HROs responsible and reduce the need for multiple counties to have to prosecute multiple violations," Fuller said.

— H. LONG

State Government

Consolidating back-office work

Accounting, human resources and other back-office functions of state government might be combined under the Department of Administration, if a bill becomes law.

Rep. Keith Downey (R-Edina) sponsors HF418, the "Back Office Consolidation Act." It would give the department control of all accounting, financial reporting, procurement, fleet services, human resources and payroll functions that are currently spread out across multiple agencies.

The bill would make all workers associated

with these functions employees of the department, but Downey said it would be up to the department whether to actually move those employees into a central office.

The House Government Operations and Elections Committee approved the bill and referred it to the House State Government Finance Committee. There is no Senate companion.

Downey said the goal is to provide for more efficient, uniform services. Though consolidating back-office functions would not necessarily entail layoffs, he suggested the long-term goal would be to reduce the number of staff need to perform the work.

He noted the state is set to launch its revamped accounting and procurement system — Statewide Integrated Financial Tools, or SWIFT — in July, and said consolidating these functions would be easier under the new system.

“In some ways, we’ve done the hardest part, or are doing the hardest part of the work,” Downey said.

—N. BUSSE

Reducing the number of agencies

A proposal to reduce the number of state agencies was shelved after the bill’s author said it needed some more work.

Sponsored by Rep. Keith Downey (R-Edina), HF419 would eliminate the following state agencies and roll their functions into other existing departments:

- Department of Corrections;
- Department of Employment and Economic Development;
- Department of Health;
- Department of Human Rights;
- Department of Labor and Industry;
- Department of Revenue;
- Department of Transportation; and
- Minnesota Management & Budget.

The bill would leave it up to Gov. Mark Dayton to determine where to put those agencies’ current operations and employees.

Downey said the net impact of the bill would be to reduce the number of cabinet-level positions in the executive branch. He said repositioning and combining their operations would also eliminate redundancies and lead to greater efficiency.

During a House Government Operations and Elections Committee hearing, he moved to lay the bill over to allow for time to do more work on it. He said he received feedback from a number of people indicating that combining certain agencies could be problematic.

“This is a fairly large concept that I’m introducing here,” Downey said.

In its original form, the bill would have merged the Departments of Veterans and Military Affairs into a single agency. Downey successfully amended the bill to remove those provisions after being told it could jeopardize those departments’ federal funding.

Rep. Mike Nelson (DFL-Brooklyn Park) expressed concern that combining certain agencies could lead to dedicated funds being used for purposes other than their intended ones. He gave the example of dedicated transportation funds potentially being absorbed into another agency’s budget.

The bill has no Senate companion.

— N. BUSSE

Taxes

Hutchinson’s loss creates more loss

The March 8 news that Hutchinson Technology Inc. would be significantly cutting back its operations in Hutchinson compounds a problem the city was already facing.

To accommodate new business and industry growth, the city completed construction of a water plant in 2007, and upgraded its water treatment facility in 2008. They had expected to pay for the facilities with fees generated from increased water and wastewater usage.

But then the recession took hold. Instead of jobs coming to the community, employers began to leave. Now the city is struggling to figure out how to pay for the facilities.

“The significant job losses have severely reduced water and wastewater usage — business use is down 50 percent and residential use is down 30 percent,” Mayor Steve Cook told a March 9 joint meeting of the House Property and Local Tax Division and Senate Taxes Committee. With Hutchinson Technology’s announcement, he expects usage to decline another 10 percent.

While the city has taken measures to reduce expenses and restructure debt, Cook was at the Legislature seeking approval, through HF377, to impose a half of 1 percent sales and use tax and a \$20 vehicle tax on motor vehicles sold by dealers located in the city limits to pay for the wastewater treatment facility. Rep. Ron Shimanski (R-Silver Lake) sponsors the bill. The companion, SF276, is sponsored by Sen. Scott Newman (R-Hutchinson).

No action was taken on the bills, but

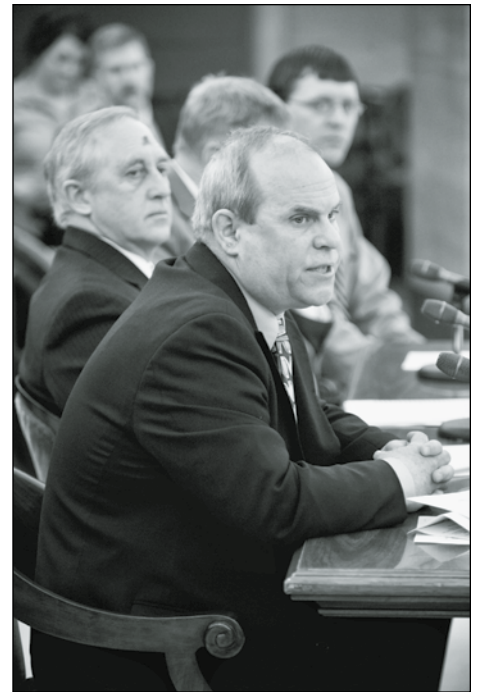


PHOTO BY TOM OLMSCHIED

Hutchinson Mayor Steve Cook, center, answers a question from a member of the House Property and Local Tax Division about the city seeking a local sales and use tax during a hearing March 9 with the Senate Taxes Committee. Rep. Ron Shimanski, left, and Hutchinson City Engineer Kent Exner also testified.

they could be formally acted upon in the respective division or committee.

Hutchinson is one of several cities seeking permission to levy a local sales and use tax. These taxes, while needing legislative approval, must also be approved by local voters in a referendum. In the case of Hutchinson, voters approved the new tax in the 2010 general election.

Other communities seeking to implement local taxes include:

- Clearwater, to pay the costs for new regional parks, bicycle trails, park land, open space and pedestrian walkways;
- Cloquet, for park improvements and water and stormwater infrastructure;
- Fergus Falls, for a new regional community ice arena;
- Lanesboro, to pay for street and utility improvements and enhancements to some city facilities, which include paying debt service on bonds and other obligations issued to fund the projects;
- Marshall, for new and existing facilities of the Minnesota Emergency Response and Industry Training Center and a new Southwest Minnesota Regional Amateur Sports Center; and
- Rochester, for improvements to the civic center complex, municipal water, sewer

and storm sewer; a new regional recreation and sports center and regional highway and airport improvements.

— L. SCHUTZ

Definition change impacts sales tax

Some state agencies have changed how they interpret definitions for home medical equipment. These don't line up with those used by the medical equipment industry, and are cause for confusion over what is exempt from sales tax. For instance, prosthetic devices and durable medical equipment for home use are among items that are tax exempt, while accessories such as oxygen masks and tubing are not.

Rep. Duane Quam (R-Byron) sponsors HF573 that would expand the exemption for items covered by Medicare, Medicaid and other health plans and change the definition of durable medical equipment to include all accessories and supplies.

This addresses recent agency interpretation of statute that may not follow the intent of the original legislation, he said. "We have to then go back, through legislation, to clarify and return original intent." The bill was held over by the House Taxes Committee March 8 for possible omnibus bill inclusion. It has no Senate companion.

"There's no way for us to comply with (current law)," said Jackie Anderson, owner of Key Medical Supply, Inc. "The definition changes that occurred in the original legislation compared to the reality of how things operate in our industry are too cumbersome."

As an example, she said some health care equipment comes in kits, with some parts being taxable and others not. "We have to look at the components of these kits to determine which are taxable and which are not, even though we buy them as kits and sell them as kits."

Some language would need to be altered to conform the current state to the Streamlined Sales and Use Tax Agreement, which assists states to administer a simpler and more uniform sales and use tax system, according to nonpartisan House Research Department staff.

The bill also has a cost. According to the Department of Revenue, it would impact the General Fund by \$14 million in fiscal year 2012.

— L. SCHUTZ

Phasing out on taxing Social Security

Lanny Lundquist of Woodbury is recently retired, and he was surprised to learn that he would be paying income tax on his Social Security benefit, as much as \$619. "It doesn't break the bank, but it does have an impact on our income," he told the House Taxes Committee March 8.

He supports HF410, a bill sponsored by Rep. Kathy Lohmer (R-Lake Elmo), which would phase-in over 10 years an exemption of Social Security benefits from state individual income tax starting with 10 percent in 2011 and increasing 10 percent per year. The bill was held over for possible omnibus bill inclusion. It has no Senate companion.

"Minnesota is one of only seven states that taxes Social Security benefits. We are essentially taxing our senior citizens twice on the same money," Lohmer said.

Under current law, up to 85 percent of Social Security benefits are subject to federal and state income tax depending on income. For instance, according to nonpartisan House Research staff, a married couple that receives the average Social Security benefit of \$22,800 annually and has a total income from all sources of less than \$43,400 is not taxed on the benefit. Couples with average benefits and a total income over \$71,141 must include 85 percent of the Social Security as taxable income.

Rep. Tom Rukavina (DFL-Virginia) said the bill would provide a benefit only to higher-income retirees.

The way this bill is drafted, people like Lundquist would get some help "because they are lower- to middle-income, but people making \$150,000 to \$200,000 a year are the ones who will get the rest of the benefit ... and the younger people are going to have to pay for it," he said. "I am a Robin Hood kind of guy, and it depends upon who you want to cheer for."

Lohmer's bill would affect approximately 296,000 taxpayers in tax year 2011.

The Department of Revenue projects a \$26.6 million cost to the General Fund in fiscal year 2012 and increasing annually to \$1.36 billion in fiscal year 2015.

— L. SCHUTZ

Budget targets released

House Republicans outlined plans for a two-year biennial budget that would include deep cuts in some areas and slight increases in others.

At a press conference, the majority caucus released the House's budget targets, which propose spending a total of \$34 billion in fiscal years 2012-2013. House Speaker Kurt Zellers (R-Maple Grove) said the targets also include plans for tax cuts and major government reforms.

"This is what we consider a very honest and forthright budget proposal," he said.

The House Republican caucus released a spreadsheet detailing the budget targets and comparing them to current biennial spending. Targets, as compared to current spending, include:

- \$14.16 billion for K-12 education (+18.7 percent);
- \$10.71 billion for health and human services (+5 percent);
- \$2.66 billion for tax aids and credits (-12 percent);

- \$2.51 billion for higher education (-15.1 percent);
- \$1.17 billion for debt service (+36.7 percent);
- \$1.03 billion for public safety (-8.7 percent);
- \$726.8 million for judiciary (-1.1 percent);
- \$586.7 million for state government (-33.9 percent);
- \$228.1 million for environment, energy and natural resources (-26.9 percent);
- \$120.2 million for transportation (-28.1 percent);
- \$81.6 million for economic development (-58.3 percent); and
- \$76.8 million for agriculture (-11.4 percent).

Over the next two weeks, House finance committees will put together budget bills based on these targets. Zellers said the bills will include \$300 million in tax relief to low- and middle-income Minnesotans, along with a package of reforms designed to streamline state government. There will be no tax increases in the Republican plan.

Compared to the current biennium, \$34 billion would amount to a 4.2 percent increase in spending. Under current law, however, the state is projected to spend \$39.02 billion in the next biennium, which would make the budget targets a 13.3 percent decrease from the state's February Economic Forecast.

Gov. Mark Dayton proposed spending \$37.09 billion in his budget plan; however, that amount has not been updated to account for February's revised forecast numbers.

House Minority Leader Paul Thissen (DFL-Mpls) called the Republicans' plan a continuation of the "failed policies" of former Gov. Tim Pawlenty.

"It appears that the property-tax-raising, job-killing budgets of the past will be the budget of our future if the Republicans have their way," Thissen said.

— N. Busse

The big reboot

To help cut costs, lawmakers look to technology improvements

By NICK BUSSE

Anyone who has ever experienced a dropped cell phone call or had to restart a crashed computer knows that technology can be a double-edged sword: when it works, it's indispensable; when it doesn't, it's a nightmare.

But if you think your laptop or smartphone can give you headaches, imagine trying to manage more than \$361 million worth of complex information technology systems and staff that Minnesotans depend on for vital state services.

That challenge falls on the State of Minnesota every biennium. With roughly 37,000 computers, 5,000 servers and 1,800 IT workers, Minnesota's IT infrastructure comprises a complicated web of programs and personnel spread out over dozens of agencies. With a \$5 billion budget deficit

looming, two lawmakers are betting they can build a better, cheaper system.

Rep. Keith Downey (R-Edina) and Rep. Phyllis Kahn (DFL-Mpls) have introduced a plan to consolidate all of the state's IT systems under one agency: the Office of Enterprise Technology. Created in 2005, OET was designed expressly for this purpose — improving and centralizing IT.

But the process has been gradual. A study commissioned by the Legislature in 2009 found that fully consolidating IT functions could save taxpayers tens of millions of

dollars annually, as well as improve the security and stability of the state's systems. Downey and Kahn think it's time for OET to move beyond its current approach and take on a broader, more aggressive mandate.

"Some of what we're describing in this bill is already occurring on a smaller scale," Downey said at a March 8 hearing. "These are not new skills, necessarily. It's just an expansion of what they're already doing."

Sponsored by Downey, HF191 would give OET control of virtually all state IT procurement, management and operations. Back-office functions like maintaining servers, administering databases and providing technical support would move out of individual agencies and into one centralized office.

Kahn, who sponsors a similar bill, signed on as a co-sponsor to Downey's version. She has spent several years pushing the issue, and believes the change is long overdue.

"Several states have done this — Michigan, California, Utah," Kahn said. "It's not only a good idea, but this is the right time to do it."



PHOTOS BY TOM OLMSCHIED, PHOTO ILLUSTRATION BY PAUL BATTAGLIA

The state has roughly 37,000 computers, 5,000 servers and 1,800 information technology workers. Rep. Keith Downey sponsors a bill to consolidate the state's IT infrastructure under the Office of Enterprise Technology.



A study commissioned by the state found that Minnesota could save between \$25 million and \$41 million each year by consolidating its information technology infrastructure.

Opportunities for efficiency

Centralizing the state's IT infrastructure could save taxpayers anywhere from \$25 million to \$41 million each year, according to a study commissioned by OET.

Two years ago, at the direction of the Legislature, the state contracted with Excipio Consulting to find out whether the state could manage its IT better. According to Excipio Senior Partner Jeff Gilmer, the answer is unequivocally "yes."

Gilmer said the state has about 5,000 more desktop computers than it needs, and about 45 percent more storage space. And that's just the beginning.

By centralizing IT functions, the state could save money on procurement, maintenance and software licensing. The state's 38-40 data centers could be consolidated to just two or three. IT help desks could be combined for cost savings and improved service. And the state's 1,812 full-time equivalent IT staff could be whittled down to 1,586.

There is one catch, however: there won't be any savings for the first few years, because centralizing all these functions will have an initial price tag of at least \$65 million and potentially upwards of \$175 million, depending on how it's done.



"Some of what we're describing in this bill is already occurring on a smaller scale... These are not new skills, necessarily. It's just an expansion of what they're already doing."

— Rep. Keith Downey
R-Edina

"This is not a short-term strategy; this is a long-term strategy. A minimum commitment of seven years is what we recommend for this type of consolidation," Gilmer said.

In addition to saving money through efficiency, putting all the state's IT operations under one roof may help prevent expensive projects from spiraling out of control.

Supporters cite the Department of Human Services' ill-fated HealthMatch system as an example of why OET needs more control. The department

spent six years and more than \$30 million developing HealthMatch, a health care eligibility system, before scrapping it in 2008. Kahn said those kinds of cost overruns can occur when agencies

whose primary expertise is not in IT are put in charge of major upgrades.

"Some of the disastrous failures that we've had ... occurred because the people making the decisions weren't the ones who understood information systems," Kahn said.



"Several states have done this — Michigan, California, Utah... It's not only a good idea, but this is the right time to do it."

— Rep. Phyllis Kahn
DFL-Mpls

a "sleeping dog strategy" that looks benign, but will lead to outsourcing of critical functions in the future.

"I just think that your bill tries to do too much, and it's too sweeping in its

Outsourcing concerns

Many DFLers oppose a provision, inserted by Downey as an amendment to the bill, which would allow OET to contract with private IT firms even when state employees are available to do the work. State procurement laws currently allow outsourcing only if no state employees can do the job and if certain other conditions are met.

Downey said outsourcing some IT functions to private companies could save the state money by putting costly and complicated functions in the hands of skilled, specialized firms. He originally planned to include even stronger language on outsourcing, but decided a more incremental approach might be better, at least initially.

"I want language in this bill that doesn't lock us into keeping all of that in-house when it could very easily be done outside the complex of state government," Downey said.

Not everyone is comfortable with the idea of outsourcing. Opponents argue it would put the state at the mercy of private vendors more concerned with profits than accountability. Rep. Ryan Winkler (DFL-Golden Valley) called Downey's outsourcing language

authority," Winkler said. Kahn said the language on outsourcing is "something we're going to work further on." She said the exemption from state procurement laws isn't necessary, and cites as evidence the fact that the state recently used a private contractor to build its new e-mail system.

"The major things we want to accomplish in this bill is the reorganization and the alignment," she said.

The House State Government Finance Committee laid the bill over for possible omnibus bill inclusion March 8. Sen. Mike Parry (R-Waseca) sponsors the companion, SF130, which awaits action by the Senate State Government Innovation and Veterans Committee.

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

BILL INTRODUCTIONS

MARCH 7 - 10, 2011

HOUSE FILES 880 - 1049

Monday, March 7

HF880-Vogel (R)

Transportation Policy & Finance

Special overweight permits authorized for hauling construction aggregate.

HF881-Hilstrom (DFL)

Government Operations & Elections

Legislation waiting period created.

HF882-McNamara (R)

Environment, Energy & Natural Resources Policy & Finance

Urban storm water retention pond buffers required.

HF883-Greiling (DFL)

Education Reform

Commissioner of education's role in approving, certifying and recertifying online learning providers clarified.

HF884-Laine (DFL)

Civil Law

Health care program contracts competitive bids and audits required.

HF885-Drazkowski (R)

Education Finance

Lewiston; Independent School District No. 857 fund transfer extended.

HF886-Lanning (R)

State Government Finance

Compulsive gambling money appropriated.

HF887-Morrow (DFL)

Environment, Energy & Natural Resources Policy & Finance

Lake Titlow Watershed District new dam construction funding provided, bonds issued and money appropriated.

HF888-Morrow (DFL)

Education Finance

School district collaboration grant created and money appropriated.

HF889-Beard (R)

Commerce & Regulatory Reform

Shakopee; Raceway Park liquor license authorized.

HF890-Quam (R)

Taxes

Rochester; local sales and use tax authority modified.

HF891-Davnie (DFL)

Education Finance

Early learning program school district levy created.

HF892-Hamilton (R)

Health & Human Services Finance

Set-aside requirements modified, requirements placed on the commissioner when establishing rate setting methodology and commissioner instructed to eliminate duplicative and outdated standards.

HF893-Gunther (R)

Jobs & Economic Development Finance

Vinland Center for rehabilitation services funding provided and money appropriated.

HF894-Mazorol (R)

Commerce & Regulatory Reform

Noneconomic detriment damages limitation modified.

HF895-Hoppe (R)

Commerce & Regulatory Reform

Insurance notices and authorization collected information modified, and insurance appraisers regulated.

HF896-Fritz (DFL)

Taxes

Medford; local sales and use tax authorized.

HF897-Winkler (DFL)

Legacy Funding Division

Perpich Center for Arts Education; best practice networks funding provided and money appropriated.

HF898-McFarlane (R)

Environment, Energy & Natural Resources Policy & Finance

Metropolitan regional parks funding provided from the Parks and Trails Fund and money appropriated.

HF899-McDonald (R)

Health & Human Services Reform

Human services commissioner required to propose statutory changes to address frequency of Medical Assistance eligibility assessments for nonemergency medical transportation and the length of time a recipient is deemed eligible for special transportation.

HF900-Abeler (R)

Higher Education Policy & Finance

Board of Trustees of MnSCU required to implement a policy on credit transfers relating to the Anoka STEP program, and report to the Legislature required.

HF901-Dill (DFL)

Environment, Energy & Natural Resources Policy & Finance

Wetland replacement requirements modified.

HF902-Dill (DFL)

Taxes

Homestead resort ownership requirements modified.

HF903-Mullery (DFL)

Jobs & Economic Development Finance

Community-based workforce development provided and money appropriated.

HF904-Lanning (R)

State Government Finance

Commissioner of revenue contract authority provided and abusive transfer pricing schemes regulated.

HF905-Hamilton (R)

Education Reform

Youth athletes with concussions resulting from participation in youth athletic activities policies established.

HF906-Rukavina (DFL)

Transportation Policy & Finance

Commissioner of transportation decision required on alternative route for State Highway 53.

HF907-Rukavina (DFL)

State Government Finance

Hoyt Lakes; water and wastewater system improvements funding provided, bonds issued and money appropriated.

HF908-Torkelson (R)

Environment, Energy & Natural Resources

Policy & Finance

Wetland Conservation Act modified.

HF909-Murphy, M. (DFL)

Taxes

Department of Revenue required to report on ZIP code use in collecting local sales taxes.

HF910-Murphy, M. (DFL)

Taxes

Hermantown; current local sales tax rate modified.

HF911-Quam (R)

Transportation Policy & Finance

Rochester; Trunk Highway 52 improvement funding provided, bonds issued and money appropriated.

HF912-Abeler (R)

Health & Human Services Reform

Special family day care homes requirement provided.

HF913-Slawik (DFL)

Health & Human Services Reform

Child care quality rating and improvement system implementation continued and money appropriated.

HF914-Hilty (DFL)

Civil Law

Defining the term "person" and constitutional amendment proposed.

HF915-Beard (R)

Public Safety & Crime Prevention

Policy & Finance

Scott County Regional Public Safety Training Center funding provided, bonds issued and money appropriated.

HF916-Hilty (DFL)

Taxes

Cloquet; local sales tax authorized.

HF917-Melin (DFL)

Government Operations & Elections

St. Louis County; fairground tax exemption provided.

HF918-Kahn (DFL)

Transportation Policy & Finance

Bicycle operators under age 16 required to wear protective headgear.

HF919-Urdahl (R)

Environment, Energy & Natural Resources

Policy & Finance

State trail acquisition and development funding provided, bonds issued and money appropriated.

HF920-Myhra (R)

Transportation Policy & Finance

Dakota County; Trunk Highway 13 and County State-Aid Highway 5 interchange funding provided, bonds issued and money appropriated.

HF921-Leidiger (R)**Public Safety & Crime Prevention
Policy & Finance**

Targeted misdemeanor clarified to include no contact order misdemeanor violations for the purpose of requiring fingerprinting.

HF922-Kiel (R)**Transportation Policy & Finance**

Collector emergency vehicles allowed to display and use nonconforming colored lights.

HF923-Kiel (R)**Government Operations & Elections**

Public employee definition amended to include replacement employees who are employed for more than 50 days as a replacement teacher or faculty member.

HF924-Barrett (R)**Health & Human Services Reform**

Departments of Health and Human Services consolidated, name changed to Department of Health and Human Services, and report required.

HF925-Barrett (R)**Government Operations & Elections**

Public purchasing from correction industries procedures revised.

HF926-Gottwalt (R)**Commerce & Regulatory Reform**

Health coverage mandate evaluation provisions changed.

HF927-Abeler (R)**Health & Human Services Finance**

Commissioner of human services required to seek a waiver from the federal government to reform the Medical Assistance program, guidelines set for the reformed Medical Assistance program, rulemaking authority provided and reports required.

HF928-Falk (DFL)**Health & Human Services Finance**

Publicly owned nursing facility cost additional local share clarified and publicly owned nursing facility payment rate clarified.

HF929-Falk (DFL)**Transportation Policy & Finance**

"MN supports family farmers" special license plates provided.

HF930-Falk (DFL)**Taxes**

Tax-forfeited land sales prohibited to certain property owners, and county auditors required to file lists of delinquent real estate taxes.

HF931-Falk (DFL)**Environment, Energy & Natural Resources
Policy & Finance**

Spent nuclear fuel produced by nuclear-powered electric generating plants examination by Legislative Energy Commission required.

HF932-Urdahl (R)**Education Reform**

Lane changes for teachers earning master's degrees provisions modified.

HF933-Smith (R)**Public Safety & Crime Prevention
Policy & Finance**

Prostitution law provisions clarified and recodified, and definitions modified.

HF934-Garofalo (R)**Education Finance**

Education finance statute obsolete reference removed.

HF935-Davids (R)**Ways & Means**

Corporate refund delay requirement for commissioner of revenue repealed.

HF936-Holberg (R)**Health & Human Services Reform**

Abortions at or after 20 weeks gestational age prohibited unless exceptions apply, and civil and criminal penalties provided.

HF937-Schomacker (R)**Health & Human Services Reform**

Nursing facility provisions modified.

HF938-Schomacker (R)**Commerce & Regulatory Reform**

Nursing facility and home care agency employees allowed to buy into the state long-term care insurance program.

HF939-Westrom (R)**Public Safety & Crime Prevention
Policy & Finance**

Private prison housing proposal request by commissioner of corrections required.

HF940-Mack (R)**Health & Human Services Reform**

Personal care assistance provisions modified.

HF941-Persell (DFL)**Jobs & Economic Development Finance**

Bemidji; Headwaters Regional Center for Science, History, Culture, and the Arts, funding provided, bonds issued and money appropriated.

HF942-Hilty (DFL)**Taxes**

Grand Rapids; local sales tax authorized and local government aid payment adjusted.

HF943-Simon (DFL)**Commerce & Regulatory Reform**

Building Code Administrators and Inspections Board established.

HF944-Davids (R)**Health & Human Services Reform**

Managed health care contract actuarial soundness evaluation requirement repealed.

HF945-Petersen, B. (R)**Education Reform**

Teacher licensure, evaluations and tenure modified.

HF946-Loeffler (DFL)**Taxes**

Qualified tuition deduction and related expenses for tax year 2010 federal extension conformed.

HF947-Erickson (R)**Education Reform**

Alternative teacher pay system modified.

HF948-Lenczewski (DFL)**Transportation Policy & Finance**

Highway 169 toll facility required.

HF949-Gruenhagen (R)**Commerce & Regulatory Reform**

Federal health coverage mandate compliance required, and all mandated health benefits under state law repealed.

HF950-Gruenhagen (R)**Civil Law**

United States Congress urged to propose the Parental Rights Amendment to the Constitution of the United States relating to parental rights.

Wednesday, March 9

HF951-Mazorol (R)**Civil Law**

Uniform Disclaimer of Property Interests Act provisions changed, updated and clarified.

HF952-Mazorol (R)**Civil Law**

Guardianship compensation provisions clarified.

HF953-Liebling (DFL)**Higher Education Policy & Finance**

Rochester Community and Technical College workforce center funding provided, bonds issued and money appropriated.

HF954-Fabian (R)**Government Operations & Elections**

Kittson County; process for making certain county offices appointive provided.

HF955-Cornish (R)**Public Safety & Crime Prevention Policy & Finance**

Level III predatory offender website maintenance responsibility transferred from the Department of Corrections to the Bureau of Criminal Apprehension.

HF956-Cornish (R)**Public Safety & Crime Prevention Policy & Finance**

Natural resource enforcement provisions modified.

HF957-Westrom (R)**Environment, Energy & Natural Resources
Policy & Finance**

Wastewater capital grant program beneficial use modified to include use of storm water.

HF958-Hosch (DFL)**Education Finance**

St. Cloud; Independent School District No. 742 onetime fund transfer permitted.

HF959-Howes (R)**Capital Investment**

Flood hazard mitigation grant funding provided, bonds issued and money appropriated.

HF960-Howes (R)**Capital Investment**

Flood hazard mitigation grant funding provided, bonds issued and money appropriated.

HF961-Morrow (DFL)**Transportation Policy & Finance**

American Red Cross special license plate established and money appropriated.

HF962-Howes (R)**Government Operations & Elections**

Municipal tobacco license suspensions limited for sales to minors upon compliance with requirements.

HF963-Anzelc (DFL)**Environment, Energy & Natural Resources
Policy & Finance**

Voyageurs National Park clean water project money appropriated.

HF964-Anzelc (DFL)**Government Operations & Elections**

Legislative employees authorized to organize and select representatives to negotiate collective bargaining agreements.

HF965-Kahn (DFL)**Public Safety & Crime Prevention Policy & Finance**

Anatomical gift donor document types expanded.

HF966-Mariani (DFL)**Education Reform**

Teacher Tenure Act modified for school districts located in a city of the first class.

HF967-Mariani (DFL)**Transportation Policy & Finance**

Central Corridor light rail transit line stations skyway access requirements established.

HF968-Anderson, S. (R)**Transportation Policy & Finance**

Interstate Highway 494 managed lane requirements established.

HF969-Anderson, S. (R)**Taxes**

Income tax credit provided for telecommuting conversion expenses and ongoing telecommuting expenses.

HF970-Anderson, P. (R)**Agriculture & Rural Development Policy & Finance**

Beginning farmer program tax credits provided.

HF971-Anderson, P. (R)**Taxes**

Motor fuel tax exemption established for school transportation.

HF972-Anderson, S. (R)**Environment, Energy & Natural Resources Policy & Finance**

Aquatic plant management fees and priorities continued.

HF973-Mariani (DFL)**Education Finance**

School districts authorized to renew an expiring referendum by action of the school board and reverse referendum authorized.

HF974-Melin (DFL)**Taxes**

Nonferrous mineral taxation rates modified and distribution of net proceed and taconite production taxes modified.

HF975-Anderson, P. (R)**Higher Education Policy & Finance**

Large animal veterinarian loan forgiveness program funding provided and money appropriated.

HF976-Anderson, P. (R)**Transportation Policy & Finance**

Town road state aid allocation formula amended.

HF977-Cornish (R)**Public Safety & Crime Prevention Policy & Finance**

State Patrol prohibited from closing or consolidating dispatch centers.

HF978-Sanders (R)**Government Operations & Elections**

Election administration and districting procedures modified.

HF979-Lanning (R)**Health & Human Services Reform**

Uniform asset limit requirement analysis required across human service assistance programs.

HF980-Carlson (DFL)**State Government Finance**

Executive branch authority to reduce unexpended allotments modified.

HF981-Cornish (R)**Public Safety & Crime Prevention Policy & Finance**

Familial DNA searches authorized.

HF982-Davids (R)**Taxes**

Taxation aid, credit and payment changes made.

HF983-Gunther (R)**Jobs & Economic Development Finance**

Enterprise Minnesota, Inc. funding provided and money appropriated.

HF984-Hackbarth (R)**Environment, Energy & Natural Resources Policy & Finance**

Game and fish; aquaculture provisions modified; compensation and assistance provisions for crop damage by elk modified; fish and wildlife management plan requirements modified; taking, possessing and transporting wild animal provisions modified; acquisition procedures modified; penalty and license provisions modified; invasive species control provisions modified; and landowner liability for state walk-in access program limited.

HF985-Hackbarth (R)**Legacy Funding Division**

Oliver H. Kelley Farm Historical Site funding provided and money appropriated.

HF986-Nelson (DFL)**Government Operations & Elections**

Precinct caucus date changed.

HF987-Smith (R)**Judiciary Policy & Finance**

Board of Public Defense reimbursement restrictions eliminated.

HF988-Smith (R)**Judiciary Policy & Finance**

Public defender representation provision modified.

HF989-Smith (R)**Judiciary Policy & Finance**

Criminal case disposition timing objectives repealed.

HF990-Kath (DFL)**Education Reform**

Teacher licensing system new tier created.

HF991-Kieffer (R)**Taxes**

Corporate franchise tax rate reduced.

HF992-Rukavina (DFL)**Education Finance**

St. Louis County; sale or exchange of riparian school trust lands required.

HF993-McElfatrick (R)**Agriculture & Rural Development Policy & Finance**

County agricultural society land authority clarified.

HF994-Loeffler (DFL)**Taxes**

All counties allowed to impose a local sales and use tax and offset provided.

HF995-McFarlane (R)**Jobs & Economic Development Finance**

Women venture funding provided for business development programs and money appropriated.

HF996-Runbeck (R)**Taxes**

Tax statements modified.

HF997-Westrom (R)**Civil Law**

State agency civil penalty imposition regulated, fees and expenses awarded to prevailing parties in actions involving state agencies and municipalities.

HF998-Dettmer (R)**Public Safety & Crime Prevention Policy & Finance**

Human Cloning Prohibition Act established and penalties provided.

HF999-Lohmer (R)**Taxes**

Income tax subtraction allowed for income relating to material participation in a corporation or partnership.

HF1000-Nornes (R)**Government Operations & Elections**

Local government; hospital district detachment alternative method provided.

HF1001-Woodard (R)**Public Safety & Crime Prevention Policy & Finance**

Organized retail theft crime created and added to list of designated offenses.

HF1002-Rukavina (DFL)**Environment, Energy & Natural Resources Policy & Finance**

Sulfates water quality standard in Class 4A waters rule establishment preempted and money appropriated.

HF1003-Stensrud (R)**Taxes**

Schedule of income tax rates reduced for individuals, estates and trusts.

HF1004-Mullery (DFL)**Taxes**

Charitable contribution requirement reduced for nonprofit community service organizations to receive 4c classification.

HF1005-Anderson, S. (R)**Taxes**

Streamlined sales and use tax agreement necessary conforming technical changes made.

HF1006-Howes (R)**Education Finance**

School district operating referenda seasonal recreational equalizing component created.

HF1007-Runbeck (R)**Taxes**

Public Employee Retirement Act aids and payments reduced in lieu of property taxes.

Thursday, March 10

HF1008-Woodard (R)

Education Finance

Charter school revenue formulas modified.

HF1009-Lanning (R)

Environment, Energy & Natural Resources Policy & Finance

Red River Basin Commission grant money appropriated.

HF1010-McNamara (R)

Environment, Energy & Natural Resources Policy & Finance

Pheasant habitat improvement account disposition provided.

HF1011-McNamara (R)

Environment, Energy & Natural Resources Policy & Finance

Trout and salmon management account disposition provided.

HF1012-McNamara (R)

Environment, Energy & Natural Resources Policy & Finance

Waterfowl habitat improvement account disposition provided.

HF1013-Kiffmeyer (R)

Government Operations & Elections

State legislator term limits provided and constitutional amendment proposed.

HF1014-Morrow (DFL)

Health & Human Services Finance

Medical Assistance employed persons with disabilities program modified, asset limitation provisions changed and money appropriated.

HF1015-Morrow (DFL)

Transportation Policy & Finance

Trunk Highway 14 construction money appropriated.

HF1016-Kelly (R)

Health & Human Services Finance

Nursing facilities consolidation provided.

HF1017-Kelly (R)

Government Operations & Elections

Red Wing; property conveyance authorized and surplus state land conveyance provided.

HF1018-Zellers (R)

Health & Human Services Reform

Hospital moratorium exception provided.

HF1019-Franson (R)

Health & Human Services Reform

Child care assistance program school readiness service agreements modified.

HF1020-Gottwalt (R)

Health & Human Services Finance

Nursing facility rate equalization phased out.

HF1021-Mack (R)

Health & Human Services Finance

Long-term care consultation modified and elderly waiver modified.

HF1022-Vogel (R)

Capital Investment

Grass Lake appropriation extended.

HF1023-Smith (R)

Judiciary Policy & Finance

Courts authorized to seek partial payment or reimbursement of costs from a party proceeding in forma pauperis.

HF1024-Stensrud (R)

State Government Finance

Deputy commissioner numbers reduced and assistant commissioner position eliminated in the unclassified service.

HF1025-Beard (R)

Environment, Energy & Natural Resources Policy & Finance

Utility rates required to be based primarily on cost of service between and among consumer classes.

HF1026-Buesgens (R)

Taxes

Railroad track maintenance credit provided.

HF1027-Buesgens (R)

Taxes

Railroad track maintenance expenditure subtraction provided.

HF1028-Murphy, M. (DFL)

Legacy Funding Division

Regional library systems funding provided for educational opportunities in the arts, history, literary history and cultural heritage of Minnesota.

HF1029-Kelly (R)

Education Finance

Board of Teaching funding provided from the special revenue fund for activities associated with licensure by portfolio.

HF1030-Kiel (R)

Environment, Energy & Natural Resources Policy & Finance

East Grand Forks; Red River State Recreation Area reimbursement costs required.

HF1031-Stensrud (R)

State Government Finance

Legislative Coordinating Commission joint administrative services required to provide or arrange for the service to both the House of Representatives and Senate.

HF1032-Torkelson (R)

Transportation Policy & Finance

Prevailing hours of labor requirements modified.

HF1033-Cornish (R)

Public Safety & Crime Prevention Policy & Finance

Short-term commitments of 180 days or less reauthorized to be served in county jails.

HF1034-Cornish (R)

Public Safety & Crime Prevention Policy & Finance

Inmates required to co-pay a set minimum amount for health care provided visits.

HF1035-Anderson, S. (R)

Commerce & Regulatory Reform

Municipality off-sale intoxicating liquor license issuance prohibition repealed.

HF1036-Sanders (R)

Government Operations & Elections

State passenger vehicle fleet management and consolidation provided.

HF1037-Sanders (R)

Jobs & Economic Development Finance

Department of Employment and Economic Development required to issue an unemployment compensation payment and business intelligence contract proposals request.

HF1038-Sanders (R)

Jobs & Economic Development Finance

Department of Labor and Industry required to issue a proposal request for a contract to reduce improper workers' compensation payments.

HF1039-Hamilton (R)

Agriculture & Rural Development

Policy & Finance

Department of Agriculture operating budget reduced.

HF1040-Bills (R)

Education Finance

School district lease levy authority amended.

HF1041-Mack (R)

Government Operations & Elections

State employee suggestion system for making state government less costly or more efficient established.

HF1042-Holberg (R)

Health & Human Services Reform

Abortions at or after 20 weeks gestational age prohibited unless exceptions apply, and civil and criminal penalties provided.

HF1043-Gauthier (DFL)

Public Safety & Crime Prevention

Policy & Finance

Motor vehicle property crime penalties proposed for repeat violators.

HF1044-Davids (R)

Taxes

Federal tax treatment conformed.

HF1045-Runbeck (R)

Taxes

Reduction aid payment disparity reduced.

HF1046-Runbeck (R)

Taxes

Homestead credit market value converted to a tax capacity reduction.

HF1047-Westrom (R)

Taxes

Homeowner property tax refund schedule modified and inflation adjustment of brackets and maximum refund amounts ended.

HF1048-Westrom (R)

Taxes

Property tax refund schedule modified for renters, percentage of rent constituting property taxes reduced and inflation adjustment of brackets and maximum refund amounts ended.

HF1049-Gunther (R)

Jobs & Economic Development Finance

Jobs, economic development and housing funding provided and money appropriated.

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MINNESOTA INDEX

March Tournament and Weather Madness

Year Minnesota State High School League was founded	1916
Year the MSHSL broadened to include girls' athletics	1969
This year's March Minnesota State High School League state tournament dates:	
Boys' hockey	9-12
Girls' basketball	16-19
Adapted floor hockey	18-19
Boys' basketball	23-26
Year Minneapolis Central High School won the first boys' swimming and diving state tournament.....	
Year Minneapolis Marshall High School won the first state wrestling tournament	1938
Students participating in girls' basketball in 2009-2010 school year	11,643
State rank.....	3
Rank and participation numbers in boys' basketball in 2009-2010 school year	13,491
State rank.....	4
With 5,678 participants in 2009-2010 school year, state's rank nationally in boys high school hockey participation.....	
With 3,351 participants in 2009-2010 school year, state's rank nationally in girls high school hockey participation	1
First year of girls' basketball tournament, held in the fall, with Glencoe as the winner	1974
First year girls' basketball tournament shifted to March and Academy of Holy Angels was the winner.....	1975
Year first boys' basketball tournament was held and Fosston High School took the trophy.....	1913
Year span that boys basketball playoff games were held between class A and AA champions.....	1971-1975
Edina's record for most consecutive wins in boys basketball	69
Esso's record for most consecutive wins at home in boys basketball.....	56
Year Minnesota baseball great Dave Winfield elected to MSHSL Hall of Fame	1997
Year Minnesota hockey coach Herb Brooks elected to MSHSL Hall of Fame	2004
Year MSHSL Hall of Fame was established and women's sports pioneer Paula Bruss Bauck was inducted.....	
With 40 inches of snow, year the snowiest March was recorded in Minneapolis-St. Paul.....	1951
Year with the least amount of snow in March recorded in Minneapolis-St. Paul	2010
Inches of snow that month.....	zero
Year that a March 15 storm with 75- 85 mph wind gusts caused 32 fatalities in Minnesota	1957
Year of the greatest March tornado outbreak in state's history when 13 tornadoes struck St. Peter and Comfrey	1998
Number of tornadoes recorded in March from 1950-2010	19

— L . SCHUTZ

Sources: Minnesota State High School League; Minnesota Amateur Sports Commission; Department of Education; National Weather Service; Minnesota Climatology Working Group.