



STATE OF MINNESOTA

Office of Governor Tim Pawlenty

130 State Capitol ♦ 75 Rev. Dr. Martin Luther King Jr. Boulevard ♦ Saint Paul, MN 55155

May 10, 2010

The Honorable Senator James Metzen
President of the Senate
322 State Capitol Building
Saint Paul, Minnesota 55155

Dear President Metzen:

I have vetoed and am returning Senate File 915, Chapter 322, a bill creating a statewide school employee health insurance pool.

As I indicated in my letter to the conference committee dated March 24, the concerns expressed in previous vetoed bills regarding this matter remain. The drivers of health care costs including growing prescription drug costs, benefit plan design, utilization rates, high-tech procedures, and the high cost of insuring retirees are again not addressed in this bill. Mandating participation impedes local control for districts to address these cost drivers for their employee groups.

Supporters of this legislation have used parts of the local impact study prepared by Minnesota Management and Budget based on a 2004 actuarial study that indicated the potential for savings. However, the study also indicated the cost drivers cited above as well as other unknown factors that could negate potential savings.

For years, the teachers' union has been the main advocate for various iterations of this bill, while most education and other service organizations have remained adamantly opposed. I offered to more favorably consider this bill if the teachers' union and legislators would pass bold reform initiatives such as improving teacher effectiveness and preparedness, strengthening teacher evaluations, alternative licensure programs, and tenure reform focused to improve student achievement. There has been an unwillingness to agree to any of these reforms. In fact, the union has gone to great lengths to impede reform.

Senator Metzen/SF 915

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Sadly, the union and its legislative allies are unwilling to improve educational opportunities for children but instead seek to improve their own benefits. So, again, I veto this bill.

Sincerely,

A handwritten signature in black ink, appearing to read 'TP', with a long horizontal line extending to the right.

Tim Pawlenty
Governor

cc: Representative Margaret Anderson Kelliher, Speaker of the House
Senator Lawrence J. Pogemiller, Majority Leader
Senator David Senjem, Minority Leader
Senator Scott Dibble
Representative Kurt Zellers, Minority Leader
Representative Larry Hosch
Mr. Peter S. Wattson, Secretary of the Senate (Legislative)
Mr. Albin Mathiowetz, Chief Clerk of the House of Representatives
Mr. Mark Ritchie, Secretary of State