



STATE OF MINNESOTA

Office of Governor Mark Dayton

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

May 30, 2017

The Honorable Michelle L. Fischbach
President of the Senate
Room 2113, Minnesota Senate Building
St. Paul, Minnesota 55155

Dear Madam President:

On the advice of my General Counsel, to ensure there are no legal challenges, I am signing Chapter 6, Senate File 2 rather than allowing it to become law without my signature.

I am signing the Omnibus Health and Human Services budget bill even though I believe it fails to sufficiently fund the urgent and ongoing needs in our state. In order to balance out the Legislative majority's unsustainable tax bill, leaders insisted on a drastic cut of \$463 million from Health and Human Services budget for Fiscal Years (FY) 2018-2019. This budget target meant that many bipartisan priorities such as early childhood, dental care, community health centers, home care workers, and child protection were not sufficiently funded.

Despite this challenging target, I am pleased that this bill includes some critical investments including additional resources for the Minnesota Security Hospital (MSH) in Saint Peter which serves individuals from across the state who struggle with serious mental illness. Along with the funding for MSH that is included in the bonding bill, this investment will bring the facility up to national standards for clinical care, providing a more therapeutic environment for patients and a safer workplace for staff. This bill also fully funds my proposal to improve oversight and investigations of alleged abuse of vulnerable adults in nursing homes and other care settings.

I am disappointed that while Legislative leaders have touted the importance of targeting resources to high-need families, they have not applied this same standard to low-income Minnesotans who receive services through the Minnesota Department of Human Services or the Minnesota Department of Health. As a result, there were not sufficient dollars in the Health and Human Services budget to fully fund two of my top priorities for our youngest Minnesotans: the Child Care Assistance Program (CCAP) and family home visiting for high-risk families. The bill does include \$18 million to improve child care quality and stability for low-income families as well as home visiting for an additional 2,300 families. However, with more funds we could have reduced barriers to child care access by raising the CCAP reimbursement rate for child care providers and improved long-term health by providing home visiting to all teen parents statewide.

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Returning the state to strong fiscal standing has been my top priority. I was disappointed that Legislative leaders refused to fix an issue with the forecasted costs of the Disability Waiver Rate Setting program. Without the change that I recommended in my Supplemental Budget, the bottom line in the November 2017 forecast for FY 2018-2019 will be reduced by more than \$30 million and the FY 2020-2021 forecast will be reduced by over \$113 million. The Legislature's decision to ignore this concern puts the state's future fiscal health at unnecessary risk.

Lastly, I think it is a grave mistake that this bill fails to make a meaningful improvement in dental care for more than one million children and adults who rely on Medical Assistance and MinnesotaCare. There is only minimal new funding for dental services and the bill includes a policy that will seriously undermine access to dental care in Greater Minnesota. The bill weakens the provision that requires dental providers who participate in the State Health Employee Health Insurance Program (SEGIP) to also serve Minnesotans covered by Medical Assistance and MinnesotaCare. I encourage the Legislature to revisit this important issue in the next Legislative Session.

Sincerely,



Mark Dayton
Governor

cc: Senator Paul E. Gazelka, Senate Majority Leader
Senator Thomas M. Bakk, Senate Minority Leader
Senator Michelle Benson, Minnesota Senate
Representative Kurt Daudt, Speaker of the House
Representative Melissa Hortman, House Minority Leader
Representative Matt Dean, House of Representatives
The Honorable Steve Simon, Secretary of State
Mr. Cal R. Ludeman, Secretary of the Senate
Mr. Patrick Murphy, Chief Clerk of the House of Representatives
Mr. Paul Marinac, Revisor of Statutes