

Senate Briefly

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The Senate Chamber came to life Tues., Jan. 29, as Senators reconvened to start the 2002 Legislative Session.

Photo by David J. Oakes



February 1, 2002

Senate Highlights

Senators return, less two

Reconvening for the second year of the 82nd Legislative Session, Senators took note of the major events that transpired in Minnesota and the nation since the Legislature adjourned last summer. Majority Leader Roger Moe (DFL-Erskine) noted the two vacancies in the Senate and commented on the legislative careers of the two men who once represented St. Paul and Duluth. Of former Sen. Randy Kelly (DFL-St. Paul), Moe said the Senate wishes him the best as Kelly settles into the St. Paul mayor's office. "I have a feeling we will see a lot of Mayor Kelly in the years and months ahead," Moe said.

Moe also repeated comments he made earlier in January at the memorial service for the late Sen. Sam Solon (DFL-Duluth). Solon passed away Dec. 28, 2001, after a battle with cancer. "He was legendary for being able to do things for his community and his area of the state," Moe said on the Senate floor. He noted that the most consistent part of Solon's legislative career was a dedication to health and human services issues. "He gave of himself and gave of his time in his public life to help so many who didn't have a voice and didn't have the resources" to lobby the Senate, Moe said.

Sen. Douglas Johnson (DFL-Tower) said Solon never forgot where he came from—honest, humble roots. However, Johnson said, he believed Solon was watching the Senate and perhaps even trying to vote in the special election called to fill his seat.

Noting that Solon liked floor speeches to be kept short, Minority Leader Dick Day (R-Owatonna) said there was one overriding quality he admired about Solon, his gentlemanly demeanor.

"On our side of the aisle, we have never had anybody treat us as well. He was a class act and we're going to miss him," Day said.

Senators also took action on H.F. 2681, a bill regarding the terrorist attacks of Sept. 11, 2001. The bill is a resolution transmitting to the national government the Legislature's sympathies to those people directly affected by the attacks and appreciation of the actions and efforts of police, firefighters and rescue workers, among others. The bill was approved, 64-0.

After dealing with several procedural matters, including bill introductions and referral, the Senate adjourned until Mon., Feb. 4.

Unemployment programs evaluated

The Jobs, Housing and Community Development Committee embarked on the session Weds., Jan. 30, with a somber overview of the status of the unemployment insurance and dislocated workers programs.

Department of Trade and Economic Development Commissioner Rebecca Yanisch testified to the stress of the mass lay offs on the state's workers, unemployment programs and economy. She said that unemployment claims rose 50 percent from 2000 to 2001 and Minnesota had lost 45,000 jobs since last May. Last session, Yanisch said, the Legislature was shocked by the LTV Mine closing, which displaced 1,400 workers in Northern Minnesota. Since then, she said, things have only gotten worse. She said Northwest Airlines has laid off 20 percent of its workforce and the possible closing of Fingerhut operations will result in thousands more unemployed workers. "We have twice as many dislocated workers this year than at the same time last year, and last year was a record bad year," she said. "You can see from the statistics that this is an emergency."

Of the \$14.4 million that the dislocated workers program has to assist the victims of mass layoffs, \$10 million has already been allocated. Yanisch said that the remaining \$4 million could pay for benefits for 1,250 individuals.

Lee Helgen, director of the Minnesota Workforce Council Association, which provides educational programs, employment services and training to unemployed workers, said, "If we run out of money, we put people on the waiting list. We may even have to terminate the participation of thousands of people using the workforce centers."

Director of the Unemployment Insurance Program Jack Weidenbach outlined the results of the soft economy on the state's coverage of workers. He said that employee pay-outs from the insurance fund during the week of January 6 were \$10 million greater than during the same week last year. "If the economy stays where it is," he said, "We will likely need to borrow."

Weidenbach said that the unemployment surcharge paid by employers may not be used to pay off the interest on loans. Instead, he said, a special higher solvency

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Senators-elect Mee Moua, left, and Yvonne Prettnr Solon were elected to the Senate Tues., Jan. 29.

Photos by David J. Oakes

rate of the unemployment surcharge goes into effect to repay the interest. However, he said, the unemployment rate this year will probably not be great enough to trigger the higher rate even though the fund may go into debt.

“But if employee pay-outs are low enough we may be able to pay off the debt before it incurs interest,” Weidenbach said. He explained that because of the structure of the billing schedule, money borrowed between January and September and paid off before September does not accrue interest. “Timing is important and tricky,” he said.

Union representatives testified about the importance of the state’s commitment to workers. Brad Lehto from the Minnesota AFL-CIO said, “The ability of the state’s economy to rebound depends on the state’s workers.” He said that \$63 million had been diverted from the dislocated workers fund and used to pay for non-labor programs. Now that the funds are desperately needed, there is no money left to help workers, he said. Tim Lovaasen, representing the Communication Workers of America, said, “The unemployment insurance is not a tax, it is a premium employers pay for their workers. Workers have given up part of their wages to pay for the premium so they are entitled to benefits.”

Senators Roger Moe (DFL-Erskine) and Ellen Anderson (DFL-St. Paul), said that workforce training programs were essential to growing the opportunities of

unemployed persons and the economy. “Minnesota’s workforce is our greatest strength,” said Moe. “We need to keep that up and keep workers here. Otherwise, when we come out of the recession, we’ll be back with the same labor shortage we had before.” Yanisch said, “Our goal is to come out of this economic downturn stronger than we came in to it. We can only do that by investing in skills of workers.”

Special elections held

In addition to being the first day of the legislative session, Tues., Jan. 29, was also the day for two special elections to fill Senate seats left vacant during the interim.

Voters in Senate District 67 made history with the election of DFLer Mee Moua, the first person of Hmong descent in the nation to be elected to a state legislature. Moua, 32, was born in Laos and lived for about five years in a refugee camp in Thailand, before her family came to the U.S. She lived in Rhode Island and Wisconsin, received a BA from Brown University, an MA from the Lyndon Baines Johnson School of Public Affairs and a law degree from the University of Minnesota. She is an attorney, currently on leave from the law firm of Leonard Street & Deinard. The seat she fills was left vacant by the election of Randy Kelly as mayor of St. Paul. The district includes much of St. Paul’s East Side.

Yvonne Prettnr Solon won the second special election, in Senate District 7, to fill the seat left vacant by her late husband, Sen. Sam Solon. Prettnr Solon, a DFLer, served on the Duluth City Council and is a psychologist. She has a BSD in social development and psychology and an MA in educational psychology.

Both Moua and Prettnr Solon will be sworn in Mon., Feb. 4, during the Senate session.

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Committee update

Crime Prevention

CriMNet reviewed

The initial meeting of the Crime Prevention Committee, Weds., Jan. 30, was devoted to a review of Minnesota's CriMNet program, the criminal justice information system. Committee Chair Jane Ranum (DFL-Mpls.) began the hearing by saying, "Today is one of those rare times when we can see the fruition of efforts begun in 1993. An integrated criminal justice information system that will result in making our state and our citizens safer."

The first speaker, Commissioner Charlie Weaver, Dept. of Public Safety, said the hearing was a historic occasion and that he was proud to show the results of the state's investment for the last ten years. Weaver also said that no other state in the nation has a comparable high tech criminal justice information system.

David Billeter, executive director of CriMNet, introduced the various elements of the system. Billeter said, "The goal of the CriMNet system is putting the right criminal justice information in the hands of the right people at the right time and in the right place." Thus far, Billeter said, CriMNet contains several different elements—the Statewide Supervision System, the Predatory Offender Registry, the Minnesota Repository of Arrest Photos, and the Minnesota Court Information System that may be accessed through a single web portal. Another element, the Multiple Jurisdiction Network Organization, though not a part of CriMNet, may also be accessed.

The Statewide Supervision System, which was reviewed by Dan Storkamp and Deb Kershner from the Dept. of Corrections, contains information on all Minnesota offenders under supervision, including jails, prison, probation and detention facilities. The Statewide Supervision System has over 1.8 million records available and over 3,000 users statewide.

The Predatory Offender Registry and the Minnesota Repository of Arrest Photos were developed by the Bureau of Criminal Apprehension and contain searchable databases on the whereabouts and characteristics of sex offenders and on facial recognition technology respectively.

The Multiple Jurisdiction Network Organization (MJNO) is not currently part of CriMNet said Dennis Delmont, of the Minnesota Chiefs of Police Association, but may be at a later date. The MJNO is

used by law enforcement agencies for investigation, contact location, permit processing and background checks, Delmont said.

Dale Good and Mark Kryzer, of the Supreme Court, explained the elements of the Minnesota Court Information System. One element of the Minnesota Court Information System, a "sentencing wizard," provides courts with a review of statutes and sentencing guidelines for particular cases, prints the necessary paperwork and electronically communicates data to CriMNet.

Thomas Kooy, deputy director of CriMNet, continued the profile of CriMNet and stressed that information about an individual is web-based, available from a single access point and is derived from multiple state systems.

Education

Budget testimony heard

The Education Committee, chaired by Sen. Sandra Pappas (DFL-St. Paul), met Weds., Jan. 30, to hear testimony from various agencies and school officials regarding the impact of the governor's budget reduction proposals. The committee heard from early childhood, K-12 and higher education representatives. Jim Koppel, executive director, Children's Defense Fund, said that when Minnesota enjoyed a \$13 billion surplus between 1997 and 2001, over half of the extra money went toward tax cuts and rebates, while almost none went to health and human services and children and families. Now that we are in a deficit situation, Koppel said, these latter areas are targeted for cuts. "Don't look in the most convenient places for cuts amongst the most vulnerable," Koppel said, "We will pay for it when families fail."

Sue Gunderson, of the Sustainable Resources Center, said the budget proposals could have a serious impact on early childhood development, especially amongst the less fortunate. Her center, which provides lead poisoning information to low-income families, could be eliminated under the proposal. Sen. Jane Krentz (DFL-May Township) said that many preventative programs have been hit hard by the administration. Krentz also said these reductions were shortsighted because the needs the programs address can't be met any other way. Dennis Carlson, chair, Community Education for the Anoka-

Hennepin School District, said the budget proposals will force community education programs to scale back programs and accelerate the trend towards fee-based participation. Sen. Jane Ranum (DFL-Mpls.) said the budget cuts will dismantle the community education programs in Minnesota that have served as a national model.

Lynn Steenblock and School Board Member Rebecca Otto said the Forest Lake School District will bear a disproportionate burden if the proposed cuts go through. Bob Meeks of the School Board Association said a proposed education sales tax makes no sense because "government can't tax government" and said better equity provisions are needed as evidenced by the high number of school referendums in the past two years. Vernae Harsbargen from the Minnesota Rural Education Association said the budget cuts unfairly impact rural students. Harsbargen said the three critical elements that should be considered for education policy are a stable source of revenue, fairness to all students, and the need for a long-term solution.

The Chancellor of Minnesota State Colleges and Universities (MnSCU), James H. McCormick, said last fall MnSCU enrollments increased 5.6 percent to record levels, an increase of over 9,000 students. The governor's 5 percent proposed reduction comes to \$32 million, the equivalent of the combined operating costs of three campuses in the system, McCormick said. McCormick added he was committed to a "no deficit" policy and a combination of program cuts, greater efficiencies, tuition increases, and reserve funding were necessary to counteract the reductions.

Environment and Agriculture Budget Division

Parks bonding needs presented

Tues., Jan. 29, members of the Environment and Agriculture Budget Division inaugurated the session with an overview of the capital improvements needed by state parks.

Steve Morse, deputy commissioner of the Department of Natural Resources (DNR), described the growing interest in state parks since Sept. 11 to Division Chair Leonard Price (DFL-Woodbury) and panel members. He said that people are less able

to afford to take vacations out of state and warier of flying to their destinations. "More and more people want to travel on a tank of gas," Morse said. Calls to the parks information center, he said, rose 39 percent this year from last year.

"However," Morse said, "in the current condition, the Minnesota state park system cannot accommodate an increase in use." The DNR is requesting an allocation of \$31 million for the state park initiative, which includes repairs to water and sewer systems, campgrounds and picnic areas and roads, bridges and trails. The proposed spending also covers construction of new sanitation buildings, contact stations and two new visitor centers.

Morse said that the state park restoration program would create construction projects across the state that will put people to work and stimulate the economy.

William Morrissey, director of the DNR's Parks and Recreation Division, said

that the department will make safety for park workers a top priority and add security call buttons, silent alarms, emergency exits and security cameras in contact stations. "We will never have 100 percent safety," he said, "but we are going to do the very best we can."

Zoo presents master plan

Outlining a \$115 million expansion project before the Environment and Agriculture Budget Division, Weds., Jan. 30, Minnesota Zoo CEO and Director Lee Ehmke said the zoo intends to become one of the top facilities in the nation. The master plan he and Jim Reinholdz, Minnesota Zoo CFO, presented includes a four-phase renovation and expansion of the zoo to be completed in 2007.

When the zoo opened in 1978, Ehmke said, only one-third of the original vision was complete. Since then, expansion and renovation has been done in a piecemeal fashion, he said. Once envisioned as the

zoo of the future, the facility no longer delivers a sophisticated message to a modern audience and lacks the "charismatic megavertebrates" that visitors tend to expect from a zoo, Ehmke told the panel.

The four-phase project includes the redevelopment of two trails, a rebuilt entrance to the zoo designed to present Minnesota wildlife and habitat to zoo visitors before they pass through the zoo's front door and a renovated main building that will quadruple the educational facilities of the zoo and provide a dedicated entrance for school groups. "We intend this plan to be self-supporting," Ehmke said, noting that the gift shop will be moved to a higher-profile location within the main building.

Current visitors to the zoo number about 1 million, he said, but the renovation is expected to increase that figure to around 1.3 million. Ehmke told the panel that the zoo intends to keep its current



CNN reporter and native Minnesotan Aaron Brown spoke of his personal experience with reporting the events of Sept. 11, 2001, as the keynote speaker during the "Minnesota Horizons Program" on Thurs., Jan. 31. Designed for legislators and staff, the program was an opportunity to engage in a broader, long-term discussion of issues facing our state.

Photo by David J. Oakes

Committee update



Fire and emergency personnel demonstrated their equipment in front of the Capitol on Tues., Jan. 29, to promote the creation of the Legislative Fire/EMS caucus—an effort to educate the public on fire and emergency medical services.

Photo by David J. Oakes

admission prices, adjusted for inflation, stable for as long as possible. He and Reinholdz emphasized that the relocated gift shop and increased meeting space will be important revenue enhancers. Reinholdz also said the zoo will be selling

naming rights to many of the exhibits to raise revenue. Ehmke compared the zoo project to recent zoo renovations in Seattle and Washington, D.C., for \$125 million and \$100 million, respectively. Of the \$115 million needed for the project, \$84

million is being requested by the zoo in state bond proceeds. Reinholdz said the zoo is also requesting, separately, a \$3 million allocation for asset preservation.

The panel, chaired by Sen. Leonard Price (DFL-Woodbury), also heard a request from the Office of Environmental Assistance for \$3 million. Sigurd Schuerle, OEA, said the allocation is for grants to five projects under the capital assistance program (CAP). CAP grants are used to help finance the capital costs of solid waste processing facilities with resource recovery. Eligible facilities, Schuerle said, include waste-to-energy, composting and recycling sites.

Lisa Thorvig, assistant commissioner of the Pollution Control Agency, presented a \$10 million request to clean and close municipal landfills. She said the Legislature approved up to \$90 million in bond proceeds over a 10-year period, beginning in 1994. However, legislation passed in 1997 required the commissioner of finance to cancel unspent bond authorizations if the authorizations were more than four years old, Thorvig explained. Thus, the PCA lost about \$56 million in unused bond authorization. The request before the panel, she said, is part of a three-step approach to recover the lost funds.

Steve Morse, deputy commissioner, also completed the Dept. of Natural Resources bonding proposals.

Price informed the division that the target for permanent cuts to the FY 02-03 budget was no longer zero but \$10 million in their budget area. He said the division will finalize its recommendations and present them to the Finance Committee on Weds., Feb. 6.

Health and Family Security

Caregiver bill discussed

Members of the Health and Family Security Committee, chaired by Sen. Dallas Sams (DFL-Staples), met Wed., Jan. 30, to discuss several measures.

Sams led discussion on legislation, still being drafted for the committee, that prohibits the hiring of individuals convicted of a violent crime as caregivers. According to Sams, the measure, proposed by the attorney general, was inspired by recent news reports focusing on incidents with local caregivers who were later discovered to have been convicted of violent crimes in the past. The bill changes

the licensing statute so that anyone convicted of a violent crime is permanently disqualified from working with vulnerable adults and children. Under current law, set-asides may be granted to perpetrators of violent crimes on a case-by-case basis. Many people testified regarding the subject.

Linda Sutherland, from the Minnesota Department of Health, testified regarding some concerns the department had with the proposed legislation. She said a national criminal background check—which the measure would require for all applicants—would take a long period of time to complete. As a result, she said, many potential applicants may be discouraged by the process and nursing facilities may be understaffed while they wait for the results.

Sutherland also said the department would have difficulty funding the proposed measure. She reported a projected cost of \$5 million per year to complete the checks, which would use all of the money the department receives for licensing fees.

“I’m concerned about what it will do to the system from a cost standpoint,” she said.

Some Senators had concerns about disqualifying all applicants who had been involved in just one violent incident in the past. While acknowledging that there are some people who should not be working with vulnerable adults or children, several said circumstances should be looked at in some cases. Members also said a pattern of incidents should be looked for, as opposed to one incident many years in the past, and the specifics of the incident should be looked at as well.

Sue Sperling, whose son was abused at the age of six by his caregiver, testified for the proposal. She said the amount of time spent to find someone with a violent past shouldn’t matter. She also said she believes in giving people second chances, but not when it comes to caring for children.

“There are jobs at Target or at a warehouse. There are jobs all over the world,” she said. “Why must they work with our most vulnerable citizens?”

Discussion of the measure will continue.

Sen. Becky Lourey (DFL-Kerrick) authored legislation requiring the licensure of plumbers, establishing inspection requirements for new plumbing installations, and setting fees. The bill, S.F. 819, requires all plumbers to be licensed by the

commissioner of the Minnesota Department of Health and establishes a new restricted category of licensure for plumbers working in cities with fewer than 5,000 residents. The bill also establishes fees for plumber licensure and related activities, requires inspections of all new plumbing installations, and directs the commissioner to adopt rules regarding suspending, revoking, and refusing to grant or renew licenses and registrations. According to Lourey, the idea for the bill came after hearing of several incidents where people were harmed or were unable to buy or sell a home because of unsafe water.

“We’ve had so many examples of families who have been hurt,” she said. “It’s added barriers to people’s lives as well as being a health hazard.”

Several Senators raised questions regarding the cost of the inspections required in the bill to the consumer. Sen. Sheila Kiscaden (R-Rochester) said that the price of an inspection adds a high cost to homeowners or to owners of apartment buildings. She also noted that new fees may have an impact on the cost of low income housing.

“Are we adding to the cost of affordable housing? I don’t know if we’ve taken a look at that kind of consequence,” she said.

Other Senators had similar concerns, but the bill was approved and referred to the finance division for further review.

Lourey also carried S.F. 887, which creates a system of registration for medical response units and specialized medical response units and sets qualifications for registration and renewal. Minnesota Fire Chiefs Association representative Ron Payne testified in favor of the bill. He said the registration, which is voluntary, “enhances the care of the Emergency Medical Systems (EMS) throughout the state.” The bill was approved and sent to the floor.

Health, Human Services and Corrections Budget Division

Public testimony heard

Members of the Health, Human Services and Corrections Budget Division, chaired by Sen. Linda Berglin (DFL-Mpls.), met Tues. Jan. 29, to hear public testimony regarding the effects of the governor’s budget cuts on various state-wide programs in health, human services and corrections.

Members heard testimony from dozens of people representing a variety of programs and organizations dealing with such issues as job training, county government, homelessness, child abuse, nursing home care, mental illness, health care, and other medically related concerns. Comments were brief, and the Senators asked only a limited number of questions.

Among those testifying was Jerry Vitzthum, director of the Anoka County job training program, who spoke regarding the governor’s cuts in the various welfare to work and job training programs across the state and in Anoka County. He said that across the state approximately \$1.2 million is being cut from the counties food stamp and employment training programs. Because the counties get matching federal dollars for the program, he said, Minnesota counties will also lose \$1.2 million in federal government grants. As a result, he said, the cuts will cost Minnesota counties roughly \$2.4 million—or 75 percent of their total budgets for the employment program. He also reported that, in Anoka County, the cuts drop their budget for the food stamp employment program from \$134,136 in 2000-01 to approximately \$35,604 in 2002-03. According to Vitzthum the program serves thousands of people, but if there are enough cuts, he said, “there would be no one served.”

Vitzthum said that the various cuts are unfortunate because they affect programs which are currently used to serve the most difficult welfare cases in Anoka County. Because more people are now using these services in the county than last year, he said that the cuts come at an inopportune time as well.

“This is coming at a time when caseloads are increasing considerably in Anoka County,” he said. “I’m puzzled as to why the governor would choose these [programs] for cuts.”

Also testifying from the county perspective were Kevin Kelleher, Houston County commissioner and chair of the Association of Minnesota Counties, and Maila Hedin, Scott County human services director. They spoke regarding cuts in various county programs across the state dealing with such issues as child abuse, DWI, domestic abuse, job training and self-sufficiency. They reported that a total of approximately \$55 million is being cut from a number of programs in county budgets across the state, which, they said, may force counties to raise

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property taxes to acquire the needed funds. They also said that cuts in certain welfare related programs may prevent counties from properly serving the needs of their clients.

Echoing Vitzthum—and many others who testified—they also said that the cuts are occurring when usage of welfare related services is increasing.

“These cuts come at a time when demand is on the rise,” said Kelleher.

Tarryl Clark, executive director of the Minnesota Community Action Agency in St. Paul, testified regarding budget cuts to various development agencies across the state. According to Clark, the agencies stand to lose much of their ability to help their communities if the money they receive from the state is taken away. As an example, she said one such agency—the Arrowhead Economic Opportunity Agency, which serves people in Cook, Lake and St. Louis Counties in Northeastern Minnesota—will lose 42 percent of their funding for employment services, 21 percent of their funding for displaced homemakers, 10 percent of their funding for housing services, and 10 percent of their funding for adult education services.

More public testimony heard

Members of the Health, Human Services and Corrections Budget Division, chaired by Sen. Linda Berglin (DFL-Mpls.), met Weds., Jan. 30, to hear more public testimony regarding the effects of the governor’s budget cuts in health, human services and corrections.

Hennepin County Commissioner Peter McLaughlin testified regarding the four most difficult cuts for Hennepin County to handle. These four, he said, are the increase in county share for state operated services from 10 percent to 20 percent, the elimination of funds for the Consolidated Chemical Dependency Treatment Fund Tier II program, increasing to 10 percent the share that county has in the cost of nursing homes for disabled persons staying over 90 days, and eliminating funding for certain Welfare-to-Work programs. He said that because of the number of people that Hennepin County serves, the cuts affect the county disproportionately. He also said that while the cuts may help solve the state’s budget woes, they will cause new woes for the county.

“We’re afraid we’ll be balancing the state’s budget by taking on new responsibilities,” he said.

Regarding the cuts in the Welfare-to-Work program, like others discussing the issue, McLaughlin said the cuts come at a particularly bad time. He said Hennepin County welfare rolls have increased by 2,000 since January of last year, with an increase of 1,000 since just September. It is not the time, he said, to be cutting funds for welfare related programs.

“If we’re going to succeed in this economy we need these kind of resources in place,” he said. “It’s essential.”

Also testifying was Dawn Wells, administrator of St. James Health Services and representing the Minnesota Hospital Association. Among other things, Wells said that the cuts will reduce state Medicaid funding to hospitals across the state by \$25 million for fiscal years 2003-2005. She also reported that the cuts affect the federal match as well, costing hospitals a total of \$50 million as a result.

“These cuts to hospitals will affect patient care, current hospital employees and a hospital’s ability to attract needed new workers,” she said. “There is not a sound rationale for these hospital cuts.”

Keith Carlson, executive director of the Minnesota Inter-County Association, testified regarding cuts made to the corrections budgets in the state’s counties. He said the cuts amount to approximately \$5.6 million, and may force many county corrections units to forego some services.

Members also looked briefly at the bonding recommendations for the division. For the years 2002-2006, the division recommended a total of over \$109 million, and according to Berglin, the top priorities for bonding are roof replacement and asset preservation. The recommendations were also given rankings of one, two or three to help in prioritizing them. Members approved the ratings.

Rules and Administration

Employee benefits plan okayed

The first meeting of the Rules and Administration Committee, Tues., Jan. 29, was highlighted by a close vote on a change to the “Legislative Plan for Employee Benefits and Policies” that contained a section providing that Senate employee benefits include same sex domestic partners. The package of proposed benefits for legislative employees had been reviewed by the Legislative Coordinating Commission at an earlier

hearing and resulted in differing benefits for House, LCC and Senate employees in regard to same sex domestic partners. The Rules and Administration Committee had to adopt the changes in order for the Senate employee benefits to be official.

The package included a number of changes, such as conforming the new health insurance plans for employees to that for other state employees, eliminating references to the daily rate of pay for employees and allowing money in employee health care savings plans to be used after separation to pay for insurance premiums.

Sen. Dick Day (R-Owatonna) offered an amendment deleting the language providing that members and staff of the Senate be able to enroll a domestic partner for health, dental and life insurance benefits. Day said that the provision discriminates against heterosexual domestic partners. Sen. Linda Berglin (DFL-Mpls.) countered that heterosexual domestic partners have the option to get married, while same sex domestic partners do not. Sen. James Metzen (DFL-South St. Paul) said that the benefit plan followed the agreements reached between the state and several bargaining units and that it is customary for the Senate to adopt similar provisions. Members rejected the amendment on a 10-11 roll call vote. The changes in employee benefits were the approved on a voice vote.

The committee, chaired by Sen. Roger Moe (DFL-Erskine), also adopted several opening day resolutions relating to the compensation of interns, stamp allowances and changes to the permanent and temporary employee rosters.

State Government, Economic Development and the Judiciary Budget Division

Budget cut proposals heard

The State Government, Economic Development and the Judiciary Budget Division, chaired by Sen. Richard Cohen (DFL-St. Paul), met Tues., Jan. 29, for discussion regarding the governor’s supplemental budget recommendations. The committee heard testimony from representatives from nine departments and agencies that fall under the jurisdiction of the division.

Cohen said that he hoped the panel could complete discussion and send a set of prioritized recommendations to Sen. Keith Langseth (DFL-Glyndon) and the Capital Investment Committee by Tues., Feb. 5. Cohen said the division has a target of \$40 million in permanent cuts. Further, he said that many of the proposed cuts were insufficient because they did not come from ongoing money. Cohen said the \$40 million figure was a suggestion from the Finance Committee, and that the \$40 million target was determined to be roughly half of the cuts proposed by the governor for FY 2002 and 2003.

Greg Hubinger, director of the Legislative Coordinating Commission, discussed the potential impact in FY 2003 of the governor's proposed 10 percent reduction on the commission's \$31 million budget. Hubinger stated the cuts would force the commission to reduce its workforce by 6 percent, reduce the number of interns and temporary staff, drastically reduce staff travel, and scale back development of the Legislature's web sites. Hubinger also discussed the impact on the specific offices of the commission. When asked by Sen. Cal Larson (R-Fergus Falls) on the impact of a hiring freeze, Hubinger replied the savings would be only \$77,000 in FY 02, \$400,000 in FY 03, and \$356,000 in FY 04.

Attorney General Mike Hatch said that the Attorney General's Office has already reduced its staff by 20 percent since 1998 and requested his office receive a budget cut of no more than \$1 million for the next biennium. Hatch said an additional \$1 million in budget savings could be achieved if "partnership contracts" were eliminated between his office and other state agencies. The \$2 million represents a budget reduction of approximately 10 percent, he said. Hatch mentioned that the office has had to substantially increase staff salaries to avoid "adverse selection," that is the inability to attract and retain quality employees due to salary disparities with other public sector employers.

State Auditor Judith Dutcher testified that she has voluntarily proposed a budget reduction of \$1 million in FY 2002-03 for the Office of the State Auditor, which represents a 5 percent reduction of its \$20 million budget. Dutcher pointed out that auditors generate revenue and have traditionally returned 70-90 percent of their budgeted funds to the general fund.

When asked about the effects of a hiring freeze, Dutcher replied that audits are statutorily required, so auditors must be replaced.

Deputy Secretary of State Bob Schroeder emphasized in his testimony that the Secretary of State's Office is a net contributor to the general fund, depositing approximately \$1.50 for every \$1 of expenditures by the office. Schroeder said the proposed cuts of \$1.117 million over the next 17 months would result in revenue reductions beyond the size of the cuts. Schroeder indicated that the office has already taken steps to reduce hours and services offered by the office, and has planned 21 layoffs, which is a 20 percent reduction in staff. Schroeder said that revenue projections would be 35 percent lower as a result of the governor's proposed budget cuts. Cohen questioned if the Secretary of State's office had been too hasty with its reductions, and inquired if the department's budget remained unscathed after the budgeting process, if the services could be restored and employees rehired. Schroeder replied that the services and employees could be restored, but not under the conditions of a hiring freeze. Sen. David Knutson (R-Burnsville) said the loss of a particular operation, expedited same-day walk-up service, was "devastating" to business development, and asked if any alternative cuts could be made. Schroeder replied eliminating the service increased the efficiency and productivity of employees.

Deputy Treasurer Jack Manahan testified that the State Treasurer's Office is a small agency of fewer than 15 employees and that the governor has not proposed major cuts for such entities. Manahan said that a hiring freeze would have no impact on the office at present, but could potentially have a large impact because the loss of a single employee would represent an 8 percent reduction in office staff. Because the State Treasurer's Office will be phased out by the end of the year, Manahan pointed out the office's budget already reflects a reduction in workforce. Manahan said that 50 percent of the office's \$2.3 million budget goes toward paying bank fees the state is obligated to pay and suggested that perhaps \$30,000 could be saved by the consolidation of bank accounts by the office.

The Department of Revenue was represented by Dennis Erno, who said the department has planned to reduce its

workforce by 63 positions and cut its budget by \$10.5 million over FY 2002-03, a 5.4 percent reduction. The reductions will come in the areas of tax administration support, tax policy support, tax filing and payment processing, and technology investment. Erno said it was important to protect certain aspects of the department, such as the income tax re-engineering initiative, electronic government services, and tax system reforms mandated previously by the Legislature. Because of a preponderance of "single-purpose" employees, Erno added, a hiring freeze would prevent the department from hiring for the critical positions.

Budget cut proposals continued

Sen. Richard Cohen (DFL-St. Paul), chair, and the State Government, Economic Development and Judiciary Budget Division met again on Weds., Jan. 30, to hear more testimony regarding the budget cuts proposed by the administration. Deputy Commissioner Anne Barry said the Department of Finance can reduce its \$37 million budget by 9.7 percent by distributing payroll information on the Internet instead of individual mailings, using electronic funds transfer to accept funds from larger vendors, decreasing the department's reliance on outside consultants, and restricting staff travel. Cohen said the department's reduction was proportionally the largest the panel has seen.

Department of Administration Commissioner David Fisher said his department planned to reduce its budget by \$3 million, or 5 percent, over the next biennium. Fisher said the reductions will come from staff reductions, the elimination of grants to public television and radio, and a \$2 million transfer from a building code reserve fund to the general fund. Cohen said he was concerned about the department's emphasis on the elimination of grants, which he described as "disingenuous," because they were not part of the main operations of the department. There also was extensive discussion, led by Sen. David Johnson (DFL-Bloomington) and Sen. James Metzen (DFL-South St. Paul) regarding the appropriateness of the transfer from the building code fund. Metzen expressed surprise that builders would agree to such a transfer, and Johnson felt the money should be spent on improved building code enforcement.

Minnesota Planning Commissioner Dean Barkley said the department's 9

Committee update



“Minnesota Million Mom March” participants lined the staircase leading to the Senate Chamber on Tues., Jan. 29, to voice their opinions regarding proposed concealed handgun legislation.

Photo by Shelley Hawes

percent budget reduction would come primarily through staff reductions and layoffs. Barkley warned that any further cuts would seriously impede the department’s ability to carry out its statutory obligations.

Commissioner Julien Carter from the Department of Employee Relations said the 8.8 percent, or \$1.5 million, cut in the next biennium would come from the elimination of the government training service, a merger of staff divisions, and administrative layoffs. Helene Johnson, executive director, Government Training Services, spoke in favor of maintaining funding for the program. The State Arts Board was represented by Bob Booker, executive director, who said the \$915,000 reduction (3.5 percent) for the next biennium would come from a reduction of grants, arts councils and administrative functions. Booker said all of the funds for 2002 have already been disbursed. Dennis Lord from the Department of Military Affairs said the \$2.8 million, or 10 percent cut would come from the elimination of 52 custodial positions, the elimination of a youth program, and a reduction in maintenance and utility repair budgets.

Income and Sales Tax Budget Division

Streamline sales tax presented

The Income and Sales Tax Budget Division commenced the session Wed., Jan. 30, with a presentation on the progress of the streamlined sales tax project.

Larry Wilkes, director of the Department of Revenue (DOR) Corporate and Sales Tax Division, said, “The project is a national effort created by state governments, with input from local governments and the private sector, to simplify and modernize sales and use tax collection.” Jenny Engh, DOR assistant commissioner, said the streamlining was needed to make it possible to tax sales made on the Internet.

In 2001, Wilkes said, Minnesota lost \$271 million in local and state taxes due to electronic commerce. In 2006, he said, the loss is predicted to be \$921 million.

Engh said that the federal government has prohibited the direct collection of sales taxes on the Web because of the prohibitive difficulty in reconciling the differences in state tax structures. She said

that the project does not dictate what should be subject to state sales taxes, but instead creates uniform definitions of goods and administration policies. “The project,” she said, “is about creating equity among mail order, brick and mortar and online retailers.”

According to Wilkes, 41 states have been involved in the streamlining process. Of those states, 22 have adopted the Uniform Sales and Use Tax, which permits them to participate directly in the creation of definitions and policies, he said. Minnesota is one of only three states that has actually adopted them into law, he said.

Several committee members raised questions regarding the new way bread is taxed under the streamlined sales tax act. “The way I understand it,” said Sen. Steve Murphy (DFL-Red Wing), “If I get a muffin and eat it right in the bakery, I pay a tax. If I go and buy the same muffin that was made at the same bakery from the QwikTrip across the street, I don’t pay any tax.” He asked whether the streamlined sales taxes could be changed so that bakeries are not disadvantaged.

According to Engh, the inequity is due to the definition of prepared food, adopted as part of the act. Under the law, prepared food, which is taxed, is defined as two or more ingredients combined by the seller for sale as a single item. Because grocery and convenience stores do not make the bakery items, they are not taxed when bought from these kinds of retailers, she said.

“What would happen if the Senate adopts a law to change the bread tax,” asked Sen. Don Betzold (DFL-Fridley), division chair. “The agreement among the states involved in streamlining is that each state must be substantially compliant,” said Wilkes, “but the substantial compliance is not clearly defined.”

A change in the bread tax, he said, may or may not constitute substantial noncompliance. There would be no penalty or fine, he said, but the state may not be allowed to continue participating in the project.

Wilkes also said that if 25 states adopt the streamlined definitions the federal government might allow them to tax Internet sales. If Minnesota is not among the streamlined states, the state government would lose out on millions of dollars of lost revenues, he said.

Preview

Monday, February 4

The Senate will meet at 11:30 a.m.

Health and Family Security Committee

Chair: Sen. Dallas Sams

1 p.m. Room 15 Capitol

Agenda: S.F. 2381-Berglin: Regulating hospice care providers.

Higher Education Budget Division

Chair: Sen. Deanna Wiener

1 p.m. Room 107 Capitol

Agenda: Review and recommendation of higher education capital bonding requests. Testimony from Mark G. Yudof, president of University of Minnesota and James H. McCormick, chancellor of Minnesota State Colleges and Universities.

Environment and Agriculture Budget Division

Chair: Sen. Leonard Price

4 p.m. Room 125 Capitol

Agenda: To be announced.

State Government, Economic Development and the Judiciary Budget Division

Chair: Sen. Richard Cohen

4 p.m. Room 107 Capitol

Agenda: Committee discussion of budget cuts.

Transportation and Public Safety Budget Division

Chair: Sen. Dean E. Johnson

4 p.m. Room 112 Capitol

Agenda: Department of Transportation and Metropolitan Council bonding proposals.

Tuesday, February 5

Environment and Natural Resources Committee

Chair: Sen. Jane Krentz

9 a.m. Room 107 Capitol

Agenda: Legislative auditor's program evaluation report on water quality permitting and compliance monitoring at the Pollution Control Agency. Briefing on the state water program reorganization project. S.F. 2431-Wiger: Repealing the senior angling license fee increase.

Judiciary Subcommittee on Data Privacy and Information Policy

Chair: Sen. Don Betzold

9 a.m. Room 15 Capitol

Agenda: S.F. 1030-Wiger: National Crime Prevention and Policy Compact. S.F. 2448-Betzold: Motor vehicle registration records personal information disclosure. Other bills may be announced.

State and Local Government Operations Committee

Chair: Sen. Jim Vickerman

1 p.m. Room 107 Capitol

Agenda: H.F. 209-Murphy: Shooting ranges. S.F. 2434-Moe, R.D.: Making certain offices appointive in Polk County. S.F. 2418-Lesewski: Defining health care nonprofessionals as essential employees. S.F. 2432-Betzold: Authorizing debt for emergency radio system in Anoka County.

Legislative Commission on Minnesota Resources

Chair: Rep. Dennis Ozment

1:30 p.m. Room 300 N State Office Building

Agenda: Review the Issues Seminar and website survey results. Decide on changes and adopt the Strategic Plan * priorities for trust fund and for the future resources fund. Decide when to announce the RFP, hearing selections meetings and hearings time frame. Consider approval of \$382,350 in allocations for RIM Critical Habitat match from 2000 bonding, 1998 general revenue and critical habitat license plates proceeds.

Telecommunications, Energy and Utilities Committee

Chair: Sen. James Metzger

1:30 p.m. Room 15 Capitol

Agenda: S.F. 2421-Vickerman: Biodiesel fuel as a renewable energy source. S.F. 2426-Kinkel: Personal property tax exemption for Otter Tail project. S.F. XXXX-Day: Personal property tax exemption for Simon Energy project.

Environment and Agriculture Budget Division

Chair: Sen. Leonard Price

4 p.m. Room 318 Capitol

Agenda: To be announced.

Health, Human Services and Corrections Budget Division

Chair: Sen. Linda Berglin

4 p.m. Room 123 Capitol

Agenda: Fiscal 2002-2003 budget proposals.

State Government, Economic Development and the Judiciary Budget Division

Chair: Sen. Richard Cohen

4 p.m. Room 107 Capitol

Agenda: Committee discussion of budget cuts.

Select Tax Subcommittee on Revenue Forecast

Chair: Sen. Lawrence Pogemiller

4 p.m. Room 15 Capitol

Agenda: Discussion with local economists regarding economic forecast.

Transportation and Public Safety Budget Division

Chair: Sen. Dean E. Johnson

4 p.m. Room 112 Capitol

Agenda: Continuation of Mon. Feb. 4 bonding proposals, Historical Society bonding proposals, Amateur Sports Commission bonding proposals, Department of Commerce bonding proposal.

Wednesday, February 6

Commerce Committee

Vice Chair: Sen. Linda Scheid

9 a.m. Room 112 Capitol

Agenda: S.F. XXXX-Oliver: Demutualization; authorizing reorganization of mutual insurance holding company into stock company. H.F. 58-Betzold: Keg registration. S.F. 1609-Tomassoni: Authorizing limited personal use of fireworks.

Crime Prevention Committee

Chair: Sen. Jane Ranum

9 a.m. Room 15 Capitol

Agenda: To be announced.

Jobs, Housing and Community Development Committee

Chair: Sen. Ellen Anderson

9 a.m. Room 123 Capitol

Agenda: Department of Economic Security report on Paid Parental Leave. S.F. 2456-Anderson: Unpaid parental leave to include foster parents. S.F. XXXX-Johnson, David: Extended Unemployment benefits. S.F. XXXX-Sabo: Ergonomic Standards.

E - 12 Education Budget Division

Chair: Sen. LeRoy Stumpf

1 p.m. Room 112 Capitol

Agenda: To be announced.

Health and Family Security Committee

Chair: Sen. Dallas Sams

1 p.m. Room 15 Capitol

Agenda: To be announced.

Finance Committee

Chair: Sen. Douglas J. Johnson

4 p.m. Room 123 Capitol

Agenda: S.F. 2468-Johnson, Douglas: State government budget modifications.

Tax Committee

Chair: Sen. Lawrence Pogemiller

4 p.m. Room 15 Capitol

Agenda: To be announced.

Thursday, February 7

The Senate will meet at 8:30 a.m.

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Environment and Natural Resources Committee

Chair: Sen. Jane Krentz
9 a.m. Room 107 Capitol
Agenda: S.F. 1555-Higgins: Restricting the use of phosphorus in lawn fertilizer.

Judiciary Committee

Chair: Sen. John Marty
9 a.m. Room 15 Capitol
Agenda: To be announced.

State and Local Government Operations Committee

Chair: Sen. Jim Vickerman
1 p.m. Room 107 Capitol
Agenda: Report to the Minnesota Legislature on municipal boundary adjustments - Dean Barkley, director, Minnesota Planning, Office of Strategic and Long Range Planning; Christine Scotillo, executive director, Municipal Boundary Adjustment, Office of Strategic and Long Range Planning. S.F. 1471-Vickerman: Conforming statutes to reflect transfer of authority from Municipal Board to the Office of Strategic and Long Range Planning. S.F. 2464-Johnson, Douglas: Providing for tax levy for Cook County hospital district.

Telecommunications, Energy and Utilities Committee

Chair: Sen. James Metzger
1:30 p.m. Room 15 Capitol
Agenda: S.F. XXX-Tomassoni: Iron Range power plant legislative proposal.

Environment and Agriculture Budget Division

Chair: Sen. Leonard Price
4 p.m. Room 125 Capitol
Agenda: To be announced.

Tax Committee

Chair: Sen. Lawrence Pogemiller
4 p.m. Room 15 Capitol
Agenda: To be announced.

Legislative Commission on Pensions and Retirement

Chair: Sen. Dean Johnson
6 p.m. Room 112 Capitol
Agenda: Appropriate mechanism for the recovery of unpaid member and employer retirement plan contributions from closed charter schools (4th consideration). Review of First Special Session Laws 2001, Chapter 10, Article 11, Sections 10 and 12: PERA-General and PERA-P&F service credit proration provisions. S.F. XXXX/H.F. XXXX: Minneapolis firefighters relief association; corrective

provisions. S.F. XXXX-Johnson, D.E./H.F. XXXX-Mares: Supplemental thrift plans; authorization of plans funded from employee accrued benefits. Rule of 90 early normal retirement age and benefit tier; potential extension to post-June 30, 1989, hires covered by TRA.

Friday, February 8

Crime Prevention Committee

Chair: Sen. Jane Ranum
9 a.m. Room 15 Capitol
Agenda: To be announced.

Legislative Commission on Minnesota Resources

Chair: Rep. Dennis Ozment
1:30 p.m. Room 300 N State Office Building
Agenda: Continuation of Tuesday meeting. Review the Issues Seminar and website survey results. Decide on changes and adopt the Strategic Plan * priorities for trust fund and for the future resources fund. Decide when to announce the RFP, hearing selections meetings and hearings time frame. Consider approval of \$382,350 in allocations for RIM Critical Habitat match from 2000 bonding, 1998 general revenue and critical habitat license plates proceeds.

Senate Briefly

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Newly-elected Senators Yvonne Prettner Solon (DFL-Duluth), top, and Mee Moua (DFL-St. Paul) took the oath of office in the Senate Chamber during the floor session Mon., Feb. 4. Photos by David J. Oakes



February 8, 2002

Senate Highlights

Two new senators welcomed

Senators Yvonne Prettner Solon (DFL-Duluth) and Mee Moua (DFL-St. Paul) officially committed themselves to serving their constituents and the state, when the two new members were sworn in during session, Mon., Feb. 4.

Both Senators won special elections Tues., Jan. 29, held to fill seats left empty by fellow DFLers. Prettner Solon is taking the position of her husband, Sen. Sam Solon (DFL-Duluth) whose death from cancer ended his 30-year legislative career. Moua is replacing Sen. Randy Kelly (DFL-St. Paul), who has moved on to become Mayor of St. Paul.

With the inauguration of the new Senators, the Legislature's membership more closely reflects the ethnic and gender make-up of the state. Moua, who was born in Laos, is the first Hmong person to be elected to a state legislature in the country. She is also the youngest member of the Senate. The addition of two women to the Senate raises the percentage of female members to 37 percent.

During the floor session, several Senators sported heather and thistle corsages and boutonnieres to represent their support of S.R. 164, a resolution that creates a state tartan. Sen. Gen Olson (R-

Minnetrista), author of the resolution, said the tartan's color scheme incorporates state symbols: blue stands for the state's lakes, green for the state's forests and the Norway pine, black and white for the loon, wild rice and snow. Sen. Ellen Anderson (DFL-St. Paul), who is partially Scots, said, "The resolution is a symbol of the wonderful diversity we have in our state." The resolution passed 59-0.

The Senate also met for a brief floor session Thurs., Feb. 7, in order to process bill introductions and facilitate the movement of bills between committees.

Budget balancing bill assembled

Responding to projections of a revenue shortfall in the state budget for the current biennium, during its Weds., Feb. 6, meeting, the Finance Committee considered two plans to balance the budget. Both plans resolve the FY 02-03 budget and prepare for the FY 04-05 budget.

The first plan presented, S.F. 2688, offered by Sen. Dick Day (R-Owatonna), includes no tax increases and no spending cuts. Day said the plan involves bonding for \$245 million in bottleneck and intercorridor projects, uses \$500 million of tobacco settlement funds and imposes a state hiring freeze. Under the bill, if not

enough state employees voluntarily leave state service to achieve the necessary savings in salary and benefits, the commissioner of employee relations is instructed to implement layoffs, to be applied equally across agencies, in order to achieve the savings target. "Government will have to do with a little bit less," Day said. He said that it would be wrong to break promises made to the people of Minnesota about programs and levels of service available from the state by cutting programs' funding. Day said that if the revenue forecast improves by about \$300 million, the hiring freeze and possible layoffs will be avoided.

Commissioner of Employee Relations Julien Carter said state agencies are looking at a variety of strategies to save money. Carter said that, examining the positions vacated and filled in FY 01, most of the activity was in entry-level positions. S.F. 2688, Carter said, assumes that workers leaving state service during the 18-month hiring freeze imposed by the bill will have an average salary equal or greater to the average salary of full-time state employees. Carter said a better estimate of savings from a hiring freeze would rely on the annualized cost of positions filled during FY 01. That figure, Carter said, is \$32.4 million, almost one-tenth of the savings targeted in the proposal.

The bill was rejected, 13-21.

Division chairs for the budget areas presented the components of the second budget balancing plan. Sen. LeRoy Stumpf (DFL-Thief River Falls) began the series of presentations with the early childhood and K-12 education budget. The division reduced appropriations by \$15 million. Stumpf said the division did not reduce funding for special education, early childhood education programs, or general education program funding. The plan "maintains our commitment to education funding," Stumpf said. Sen. Martha Robertson (R-Minnetonka) asked why Stumpf's proposal "decimates funding for three programs without any discussion in division." In order to address lease aid for charter schools, the proposal reduces funding for Advancement Placement and International Baccalaureate exam subsidies, the Perpich Center for Arts Education and Best Practices seminars. Stumpf clarified that the cuts in funding for the three programs will mean all students—except those considered low-income—will pay the full fee for taking AP or IB tests

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and that open positions at the Perpich Center will not be filled. Sen. Jane Ranum (DFL-Mpls.) said that Senators must struggle with the fact that charter schools, which meet the needs of a high percentage of disadvantaged students, are facing the threat of closing if they do not receive lease aid dollars.

Sen. Deanna Wiener (DFL-Eagan) presented the funding changes for higher education. She outlined a total of \$50 million in cuts for the current biennium. Sen. Dave Kleis (R-St. Cloud) said cuts in higher education are the worst kind to take up in the current economy. With a recession and job cuts across the state, Kleis said, Minnesotans will need retraining and education. Not providing affordable opportunities, he said, may cost the state more down the road.

Sen. Linda Berglin (DFL-Mpls.) presented \$75 million in cuts to health, human services and corrections. Sen. Sheila Kiscaden (R-Rochester) said the committee should consider a Department of Health proposal to transfer patients between state hospitals. Kiscaden said the proposal will serve people better, at a lower cost. However, she said, some Legislators object because it will mean shutting down facilities and losing jobs in their districts. Berglin said that now is not the time to eliminate jobs for workers and ask the few workers who would be able to keep their jobs under the proposal to move their families across the state. Kiscaden and Committee Chair Douglas Johnson (DFL-Tower) both asked why departments rarely recommend cutting positions and programs in the Metro Area, but rather shut down facilities in Greater Minnesota that are crucial to their communities.

Echoing the governor's comments that "everyone should share the pain," Sen. Dean Johnson (DFL-Willmar) presented \$10 million in cuts to transportation and public safety areas, including \$175,000 off the annual budget for executive protection. Dean Johnson explained the cuts will not affect protection provided the governor when he is on state business. Rather, he said, the cuts will come from money spent on protecting the governor when he travels out of state on personal business.

"The governor will have to stay home more," Dean Johnson said. Day said he felt bad for Dean Johnson because the budget cuts to transportation will "annihilate transportation in Greater Minnesota."

Sen. Leonard Price (DFL-Woodbury) said environment and agriculture received \$9 million in new spending last year and will be cut by \$10 million in the proposal. An attempt to maintain a subsidy for ethanol producers at 20 cents per gallon, instead of being cut to 19 cents per gallon in 2004 as recommended by the budget division, failed on a voice vote. Price said that since 1986, the state has subsidized ethanol in the amount of \$172 million. Maintaining the 20-cent subsidy would mean \$223 million in subsidies for the period 2002-2010.

Cuts to state agencies, amounting to \$38 million, were presented by Sen. Richard Cohen (DFL-St. Paul). He said an agreement was reached with the state courts to offset potential cuts in their budgets by an increase in the civil filing fee. Cohen said the fee has not been raised since the early 1990s and even the increase proposed by the judiciary does not match inflation. The court system also volunteered to reduce funds for judges' pensions, he said.

Discussing the proposal as a whole, Douglas Johnson said that Senate leadership does not intend to consider tax increases unless the governor can convince leadership in the other body to consider

tax increases. He added that, to address part of the structural deficit for FY 04-05, the proposal does not fund inflation for the next biennium. Sen. Becky Lourey (DFL-Kerrick) said she is worried by the huge hole that is left in the budget for future years. Lourey said the Senate may be the only body that will consider searching for new revenues. Without considering revenue increases, she said, the proposal is highly irresponsible.

The proposal was approved by the committee to be introduced during the Thurs., Feb. 7, floor session as a committee bill. Douglas Johnson explained that the bill's path will take it to the Tax Committee next and then to the floor during the week of Feb. 11.

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Finance Committee Budget Reconciliation Proposal

Budget changes

Eliminate budget reserve	653
Eliminate cash flow account	350
Eliminate tax relief account	158
Eliminate LGA reform account	14
Transfer from Assigned Risk Plan	95
Transfer from Worker's Comp Special Fund	282
Refinance bottleneck/intercorridor projects	245
Cancel remaining St. Paul busway funds	15
Delay sales tax acceleration buyback plan	119

Permanent spending reductions

Health, human services and corrections	75
E-12 education	15
Higher education	50
Transportation and public safety	10
Environment and agriculture	10
State government	38
Dept. of Revenue	15
Transfer to dislocated worker program	(18)
Eliminate tax increment grants	129
Debt service	(8)

Total savings

2,247

Forecast shortfall

(1,953)

Difference (to budget reserve)

294

Figures are in \$ millions.

Source: Senate Office of Fiscal Policy Analysis

Committee update

Commerce

Fireworks bill fizzles

After almost 90 minutes of testimony from both proponents and opponents, a bill to legalize fireworks in Minnesota met a quiet end in the Commerce Committee, Wed., Feb. 6. The bill, S.F. 1609, carried by Sen. David Tomassoni (DFL-Chisholm), died on a tie vote, 6-6.

The bill authorizes the use of personal fireworks, classified as 1.4G under federal regulations, from July 1 to July 7 and Dec. 25 to Jan. 2 each year. Under the bill, fireworks may be sold from May 1 to July 15 and Dec. 1 to Jan. 2 each year. The bill requires that authorized retailers of fireworks post signs making consumers aware of the limited dates for using purchased fireworks. It also requires retailers to verify a purchaser's age and distribute safety information to consumers. S.F. 1609 sets various safety requirements for fireworks retailers, including that they may not sell other items in fireworks stores during the authorized sale period and must remove all fireworks from the property before using the store for other retail uses during non-fireworks time periods.

Commissioner of Public Safety Charlie Weaver said the governor supports the bill because the legislation presents a reasonable compromise and cautious approach to legalization, opens up new revenue streams for the state and because "sometimes government goes too far in regulating fun." Tomassoni said that illegal use of fireworks legally purchased in border states, such as Wisconsin, is prevalent throughout Minnesota.

"Consumer fireworks are safer than ever before," said William Weimer, vice president of B J Alan, an Ohio-based fireworks distributor. He said fireworks are tested for safety at both the factory and his companies' warehouses. Federal standards limit the amount of pyrotechnic material in any consumer-grade (1.4G) fireworks. The difference between various models sold to consumers, Weimer said, is in the amount of cardboard or paper filler in the fireworks. Weimer cited statistics showing that shopping carts, children's toys—including balloons—and trampolines cause more injuries per year than fireworks. He noted that fireworks injuries are also more prevalent in states that ban fireworks than in states that permit the sale of consumer fireworks. Weimer said the industry attributes that discrepancy to an increased

amount of boot-legged, illegal, homemade pyrotechnics that do not meet federal standards and to a lack of fireworks safety awareness campaigns. Weimer said that S.F. 1609 is one of the toughest fireworks regulation bills he has ever seen. He said the bill, if enacted, would be the first state law in the nation to put the onus of responsibility squarely on the shoulders of adult purchasers if children use fireworks.

Representatives of the Minnesota Fire Chiefs Association, Minnesota Fire Marshals Association and League of Minnesota Cities testified strongly against the bill. Anne Finn, League of Minnesota Cities, said her organization's members believe legalization will undermine local fire safety efforts and increase safety costs. She said that the times of year when fireworks use will be legalized, under the bill, are already times of increased public safety activity and alertness. Adding noise complaints, fires and fireworks accidents to the mix, Finn said, is not desirable. Nyle Zikmund, Minnesota Fire Chiefs Association, said the bill legalizes the recreational use of explosives that are of sufficient charge to do damage to users. He added that the bill leaves nothing more to legalize without being overruled by federal law. "Fireworks are fascinating to children and fire is fascinating to children," Zikmund said. However, legalized fireworks teach irresponsible fire play, he said. He suggested that if the argument is that "everyone is doing it"—illegally using fireworks—then lawmakers should consider the same argument for many other offenses, such as speeding and underage drinking on prom night. Zikmund presented a fiscal impact of about \$1.2 million per year as a consequence of the bill. Zikmund also objected to a provision in the bill exempting so-called novelty items, such as sparklers, from the intense regulation provided for other fireworks. He said sparklers burn at 1,500 degrees, hot enough to cause immediate, permanent eye damage. Lighters burn at about 300 degrees and light bulbs at about 200 degrees, he said.

While Zikmund argued that a blanket prohibition makes regulating fireworks easier, Tomassoni said legalization allows the state to have a handle on licensing and purchasing. Tomassoni also noted that the state is losing about \$650,000 to \$1 million in yearly sales tax revenue to border states that allow fireworks sales. Other committee members noted that

fireworks are available for sale in Wisconsin, but not to residents of Wisconsin.

In other action, the committee heard a bill regarding keg registration, H.F. 58. Carried by Sen. Don Betzold (DFL-Fridley), the bill is designed to discourage alcohol use by minors by requiring that all beer kegs sold carry an identifying label and making it a misdemeanor to remove the label. "This law will cause adults to think twice before providing alcohol to minors," he said. Steve Jerman said he had ready access to alcohol as an underage youth from older siblings, older sports team members and parents. Jerman, who said he has been sober for 19 months, said he has seen too many underage friends get hurt at parties and believes that keg registration will be a major deterrent. Brenda Visnovec, city of Lakeville, said a similar keg registration program in her community has cost only \$80 over the past six months. The program in the bill, she said, produces positive outcomes at minimal cost. H.F. 58 was approved and sent to the floor on a voice vote.

The committee also approved and sent to the floor S.F. 2592. The bill, authored by Sen. Edward Oliver (R-Deephaven), specifies how mutual insurance holding companies may reorganize as stock companies.

Crime Prevention

Panel hears reports

The members of the Senate Crime Prevention Committee met jointly with their House counterparts to hear several reports at a hearing Fri., Feb. 1. The joint panel, chaired by Sen. Jane Ranum (DFL-Mpls.) and Rep. John Tuma (R-Northfield) also discussed a bill, H.F. 2662, authored by Rep. Rich Stanek (R-Maple Grove), that adopts a new compact for interstate adult offender supervision and repeals the existing compact. In addition, the bill creates an advisory council on interstate adult offender supervision. The measure was before the panel for discussion purposes only.

Commissioner Sheryl Ramstad Hvass, Dept. of Corrections, Mark Carey, assistant commissioner, Dept. of Corrections, and Mike McCabe, Council of State Governments, spoke in support of the measure.

The two committees also heard a report from Scott Swanson, executive director of the Sentencing Guidelines Commission, on the frequency and

duration of sentencing departures. A crime trend analysis report was presented by Jim Cleary of House Research. Frank Dolejsi, director, Bureau of Criminal Apprehension Laboratory, updated the members on the advantages, disadvantages and costs of expanding the DNA offender database.

After the joint panel adjourned, members of the Senate Crime Prevention Committee heard and took action on a bill adding a definition of "special transportation service" in the criminal code's sexual conduct law and prohibiting persons who provide special transportation services from engaging in sexual conduct with a person who uses the service. Sen. Don Betzold (DFL-Fridley), chief author of the bill, said that the measure is designed to aid prosecution of cases in which drivers of special transportation services commit criminal sexual conduct with vulnerable adults who use the services, while the service is being provided. The bill, S.F. 2433, does not prohibit voluntary relationships, Betzold said.

Members approved the bill and sent it to the full Senate.

Gun safety bill heard

A bill requiring firearms to comply with specific safety requirements was the focus of debate at the Wed., Feb. 6, hearing of the Crime Prevention Committee. Sen. Jane Ranum (DFL-Mpls.), chief sponsor of the bill, said the philosophy behind the measure is to look at gun safety from a public health standpoint, rather than from a public safety standpoint. Ranum said that states must often pick up the medical costs that result from firearm injuries and accidents, especially to children. The bill, S.F. 1861, is fashioned after laws enacted in Massachusetts and California and sets forth standards that guns must meet before being sold or transferred, Ranum said.

The measure requires firearms—defined as pistols or revolvers manufactured after Jan. 1, 2002—to have both a visible serial number and a second serial number that is not susceptible to eradication. The measure also requires firearms to have an external locking device, be designed so that a five-year-old child is prevented from operating the firearm and requires the firearms to pass specific safety tests.

Jon Roesler, Minnesota Dept. of Health, and Dr. Kathy Sweetman, Minnesota Academy of Pediatrics, spoke in

support of the measure. Both said that there are a number of childhood deaths, unintentional injuries and suicides from firearms each year. Sweetman said that firearms need meet no safety standards, while toy teddy bears must satisfy numerous safety requirements.

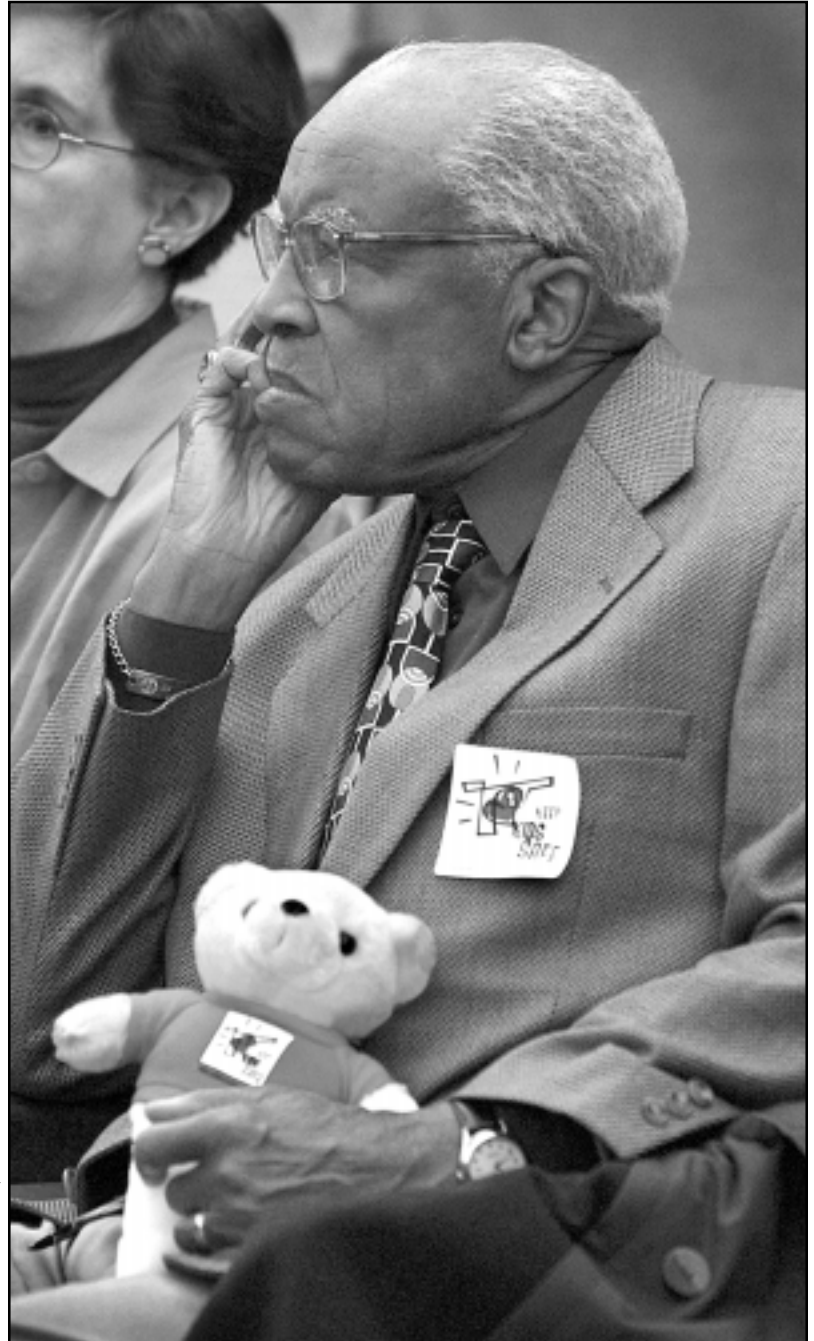
Angus McQuillkin, chief of staff for a Massachusetts state Senator, also spoke on behalf of the measure and said that there has been a reduction of accidental injuries and deaths by young people in Massachusetts.

Several Senators questioned the standards contained in the measure. Sen. Warren Limmer (R-Maple Grove) said a requirement that there be multiple motions necessary before a firearm could be fired was not specific and that the requirement that a firearm not be able to be operated by a five year old was too vague.

Ranum said the bill was drafted to incorporate both the

statute in Massachusetts and rules promulgated by the Massachusetts attorney general. She offered to lay the bill over in order to draft an amendment to include only the statutory language.

In other action, the panel did advance two bills. S.F. 2580, authored by Sen. Leo Foley (DFL-Coon Rapids), makes several



Matthew Little of Maplewood listens to testimony on a bill requiring firearms to comply with certain safety requirements during a Crime Prevention Committee hearing Wed., Feb. 6. He was one of several proponents in the audience holding teddy bears alleging that children's toys are currently subject to more safety standards than are guns.

Photo by David J. Oakes

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criminal law changes. One provision in the measure is designed to prohibit determinations made in a civil DWI proceeding from also applying in a criminal DWI case from the same set of circumstances. Another portion of the bill provides for jurisdiction over persons found to have caused a delinquent act or charged by a juvenile petition. Other provisions make it child endangerment to permit a child to be present when a person possesses chemical substances used to manufacture controlled substances and set penalties for persons who escape from electronic monitoring. The bill was approved and sent to the Senate floor.

S.F. 2611, sponsored by Ranum, adopts a new interstate compact for the supervision of adult offenders and repeals the existing compact. Ranum explained that the actual details of the compact have not yet been determined because it is necessary for two thirds of the states to ratify the compact before the language is negotiated. Ranum said it is necessary for Minnesota to enact the new compact in order to ensure a place at the table when the details are ironed out. The bills were approved and advanced to the Judiciary Committee.

Education

Recommendations approved

Chair Sandra Pappas (DFL-St. Paul) and the Education Committee met Fri., Feb. 1, to discuss two budget proposal recommendations from the E-12 and Higher Education Budget Divisions. Sen. Deanna Wiener (DFL-Eagan) presented the approved budget recommendations from the Higher Education Budget Division. The recommendation pares \$50 million from higher education in the state in FY 2002-03. Wiener said that she commends the division for sharing the pain of budget cuts equally, but added that every \$3 million cut from higher education is equivalent to a one percent tuition increase for college students. Fiscal Analyst Anita Neumann explained the differences between the division's recommendation and the governor's proposal, which calls for \$70.5 million in higher education cuts. Neumann said the major differences between the proposals were the appropriations for the University of Minnesota and the Minnesota State Colleges and Universities (MnSCU) system. The governor asks for a \$33.2

million cut from the University of Minnesota while the higher education division recommended a \$25.5 million cut. The administration proposed a \$32 million reduction for MnSCU, \$7.5 million more than the division's recommendation.

Sen. Becky Lourey (DFL-Kerrick) asked if the committee was locked out of finding additional revenues to restore higher education funding later. Lourey said that she would be in favor of raising taxes for revenue to keep tuition down. Pappas replied that the only opportunity for additional funding will be if revenues come in higher than anticipated, consequently lowering the projected deficit. In opposition to the recommendations, Sen. Dave Kleis (R-St. Cloud) said the committee's priority should be education and that higher education is the "rapid-response team" during an economic downturn. Sen. Martha Robertson (R-Minnetonka) questioned the need for these particular minor cuts if the DFL-endorsed plan of using the budget reserves is implemented. Sen. Steve Kelley (DFL-Hopkins) moved that the higher education budget division's recommendations be adopted by the full Education Committee, and presented to the Finance Committee. The motion passed 14 to 12.

Sen. LeRoy Stumpf (DFL-Thief River Falls) explained the E-12 Education Budget Division proposal for the committee's approval. The plan alters the FY 2002-03 education appropriations to reflect forecast changes and the reduction of certain programs. Stumpf emphasized the proposal does not make any cuts in early education or special education programs, nor in equity funding aid, a program that balances spending across school districts. The proposal is comprised of two articles, Stumpf said, one, a list of appropriation changes to reflect last November's economic forecast; and two, a list of budget reductions totaling \$15 million. Stumpf said the cuts include a \$4.8 million cut in charter school lease aid, a \$1 million reduction in alternative teacher compensation, and a \$5.6 million cut from the Department of Children, Families and Learning.

Steve Dess, executive director, Minnesota Association of Charter Schools, provided examples of the impact of the lease aid reduction on specific charter schools and said that the cut would result in a 5 percent revenue decrease for the schools. Several other representatives from

charter schools spoke in opposition to the cut. Pappas asked the representatives and a staff member from the Department of Children, Family and Learning (CFL) about the reasonableness of the leases the schools were signing. Tammy Baumstead from CFL said the department couldn't dictate the spaces the schools were choosing, but only if the lease rates for the space chosen by the school were appropriate for the size and neighborhood. Baumstead added the lease costs have escalated along with the increase in lease aid appropriations.

The committee voted on the motion to accept the proposal for presentation to the Finance Committee. The motion prevailed 16-11.

E-12 Education Budget Division

Budget proposal discussed

Members of the E-12 Education Budget Division, chaired by Sen. LeRoy Stumpf (DFL-Thief River Falls), met Fri., Feb. 1, to discuss the division's recommendations—different from the governor's recommendations—for cuts in education. According to Stumpf, the committee was directed to make \$15 million in permanent cuts to help balance the state's budget. He also reported that no cuts are proposed that negatively affect students in their classrooms and said that no recommendations for change are made to such programs as Early Childhood Family Education (ECFE) and special education.

"We want to maintain the educational programs that we have," he said. "We feel very strongly that this is an important part of our duty."

Stumpf proposed reductions of approximately \$5.6 million from the Minnesota Department of Children, Families and Learning—the department is to choose the specific cuts—and \$9.4 million from education finance itself. Reductions in education finance include an accelerated phase out of the teacher training and experience program, which gives school districts more money if they have more experienced teachers, and a limit for average daily membership (ADM) of 1.5 pupils for students in grades 1 through 12 as part of the funding formula for education. This in effect limits the funding that a school district can receive; the higher the per pupil ADM, the

more money a school district receives. Also, the bill proposes eliminating a previously mandated education accountability audit, an Attention Deficit Disorder/Attention Deficit Hyperactive Disorder study, and a limited English proficiency study, among other things.

Several members said they wanted more discussion on the proposed cuts before referring the bill to the full education committee. As a result, Sen. Ann Rest (DFL-New Hope) moved to delete Article 2, Section 4 of the bill—which deals with the average daily membership limit. The motion prevailed.

Sen. David Knutson (R-Burnsville) moved to delete the section of the bill dealing with the teacher training and experience program. He said the measure takes money out of classrooms—including \$250,000 from his own district—shifts the burden of payment to property taxes, and needs more discussion as well. In response, Stumpf asked the members to oppose the motion. He said the bill must move in an expedient manner to prevent the state from losing more money and to prevent the governor's recommendations for the division—which call for many more cuts—from prevailing instead. Knutson's motion failed.

Knutson said he was disappointed that funding for several studies was recommended for elimination. Referring especially to the education accountability audit, which was to be done by an independent agency to gather information in order to help identify better practices and trends, he said cutting the funding was taking away the incentive to change.

"I've been on the education committee for 10 years now and it's so difficult to make decisions that make sense for kids in the classroom," he said. "And now you're cutting [the program] and it's incredibly disappointing."

Stumpf said a number of reforms have been put in place and the Senate deserves credit for that. Sen. Sandra Pappas (DFL-St. Paul) said the audit agency is a new and untried program and the Senate should wait to see how it performs in other states first, before using its services here. Sen. Jane Ranum (DFL-Mpls.) suggested performing a similar audit through the University of Minnesota instead for a less expensive price. After the discussion, Sen. Keith Langseth (DFL-Glyndon) moved that the bill be approved and referred to the full Education Committee. The motion prevailed.

Bonding priorities set

The E-12 Education Budget Division prioritized the group's bonding requests when the members assembled Wed., Feb. 6. The Senators categorized the projects recommended for funding into three areas: local, state and library needs.

The project approved for the largest amount of bonding money—\$25 million—and the first priority for local initiatives is the Red Lake Reservation school construction and repair project. The school had originally requested \$40 million in S.F. 2567, authored by Sen. Roger Moe (DFL-Erskine), for the construction of a new middle school, high school and additions to the elementary schools. However, the approved funding covers building of the elementary school additions and the middle school, where the needs are most immediate, said Division Chair LeRoy Stumpf (DFL-Thief River Falls). According to numerous school officials who testified, the school is currently in an unsafe and overcrowded condition.

"The raising population of the Red Lake Nation deserves an opportunity to gain an education in an environment that is safe, healthy and proper so we can become not only productive members of our nation but also of your society," said Tribal Council Chair Bobby Whitefeather.

The other two local projects that made the division's priority list were \$5.5 million for the Trollwood Performing Arts School relocation in Moorhead and \$1.8 million for the Northeast Park Community Center in Waseca.

Asset preservation funding topped the priorities for state projects. In total, the division okayed \$2.14 million for maintenance and repairs of the state E-12 educational facilities. The members also prioritized grants for early childhood facilities projects and youth enrichment programs. Sen. Becky Lourey (DFL-Kerrick) said that Stumpf's recommendation of \$5 million for each of the programs did not show a strong enough commitment to children. The division members agreed to raise the bonding for each to \$7 million. Other state education projects that were prioritized included bricks and mortar improvements to the Minnesota Academies for the Blind and Deaf and the Perpich Center for Arts Education.

The division examined five bills regarding construction and restoration for libraries across the state, but prioritized only S.F. 192, sponsored by Sen. Twyla Ring (DFL-North Branch). The bill

incorporates the other needs for bond funds by establishing a "Mighty Books" program, which provides competitive grants of up to \$1 million for library construction projects. Ring said the program is similar to the Mighty Ducks and Mighty Kicks programs that have been very successful in funding local hockey rinks and soccer fields.

Higher Education Budget Division

Budget recommendations okayed

The Higher Education Budget Division, chaired by Sen. Deanna Wiener (DFL-Eagan) met Fri., Feb. 1, to hear testimony and discuss the governor's supplemental budget proposals. The division also approved a motion to submit an alternative set of recommendations created by the division to the Education Committee for consideration by the full Senate. Executive Budget Officer for the Department of Finance Stewart McMullen outlined in detail the specific budget expenditures that would be affected by the governor's proposal. He said for FY 2002-03, the governor proposed a total of \$70.5 million in cuts, including \$33.2 million from the University of Minnesota and \$32 million from Minnesota State Colleges and Universities. McMullen added the financial aid program would be increased by \$12.5 million to offset any financial pressures students may face due to tuition increases. Among other budget activity that will impact higher education, McMullen said a proposed sales tax for meals at colleges would go into effect in FY 2004, increasing revenue by \$12.8 million.

Executive Director David Laird of the Minnesota Private College Council said there are going to be two major challenges higher education will face in Minnesota—the increasing demographic diversity and aging of the state, and the chronic shortage of labor. Laird said financial aid in higher education must be radically increased for those who need it the most, because radical changes are needed to ensure the state's needs are met.

Mark G. Yudof, president of the University of Minnesota, said the school has a great deal of momentum, but it is a fragile momentum that could be impacted by the proposed cuts that will eliminate \$33 million of a planned \$36 million

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Representing four University of Minnesota campuses, school mascots participated in a rally to show support for higher education funding in the Capitol rotunda Tues., Feb. 5. Photo by Shelley Hawes

budget increase for FY 2003. Yudof said while he didn't think there should be any cuts in a institution that brings \$500 million a year into the state in research money, he has tried to take a balanced approach of program cuts and tuition increases. Wiener asked how much of the proposed cut would be borne by students through tuition increases. Yudof replied that he didn't know yet, but roughly one-third of budget cuts have been made up through tuition increases historically, which would translate to a 19 percent increase for students next year. On a base tuition of \$5,500, that would mean an increase of \$1,000 per student, he said.

James McCormick, chancellor of Minnesota State Colleges and Universities (MnSCU), said the proposed \$32 million cut is coming at a time when enrollments are increasing. Because of the increased enrollments, McCormick said the cuts

really amount to an almost 7 percent budget cut instead of the intended 5 percent. McCormick said he would try to minimize the impact of the budget reductions on students by seeking additional tuition increases only as a last resort. McCormick added that he has already cut 31 staff positions in the central administration office, a savings of \$3 million.

Robert K. Poch, director of the Minnesota Higher Education Services Office, urged the division to reconsider the elimination of the matching grant funds for the Minnesota College Savings Plan because of the danger that many current participants may lose confidence in the program.

At the completion of testimony, Weiner distributed the division's proposed recommendations. Instead of the governor's recommended \$70.5 million reduction, the division recommended \$50

million in cuts, primarily through smaller cuts to the University of Minnesota and MnSCU, \$25.5 million and \$24.4 million respectively. Several Senators voiced opposition to the recommendations because they weren't consulted beforehand and didn't agree with the new cuts. Sen. Dave Kleis (R-St. Cloud) said he wasn't in favor of the recommendations because he didn't believe that higher education should be cut during an economic downturn. Kleis suggested the division adjourn without making a recommendation to the Education Committee. Wiener responded by saying that while she wasn't happy to be making cuts either, the division had an obligation to make a recommendation rather than deferring to the Finance Committee to dictate higher education policy. Sen. Steve Kelley (DFL-Hopkins) said it would be irresponsible for the division not to take action at the risk

of allowing the governor's proposals to be successful. "We all were happy to take credit when we added dollars to higher education," Kelley said, "So now we can't back away from our duty when cuts have to be made."

Kelley moved the budget division's proposed recommendations be accepted and presented to the Education Committee. The recommendations included two amendments, one that clarified penalties in the tax code, and another that removed the distinction between public and private institutions for the purposes of determining the cost of attendance. The motion passed on a divided voice vote.

Capital bonding discussion

Mon., Feb. 4, the Higher Education Budget Division, chaired by Sen. Deanna Wiener (DFL-Eagan), heard two presentations regarding higher education capital bonding requests. President Mark G. Yudof of the University of Minnesota provided a multimedia presentation that outlined the school's \$239.8 million bonding request. The principles by which bonding choices were made, Yudof said, were an emphasis on renewing and reusing existing space, strong investment in the sciences, technology and education to create cutting-edge departments, and the importance of a quality, humane undergraduate education. Yudof said the highest priority project was the Higher Education Asset Preservation and Replacement program (HEAPR), an aggregation of 85 projects on all four campuses that will modernize facilities as well as improve safety and accessibility. Yudof said the governor's recommended funding was \$35 million, far short of the \$80 million necessary to complete the project. Yudof described other priorities, which included a \$18.7 million request to complete the second phase of a plant growth facility on the Twin Cities campus, \$33 million for a new laboratory science building on the Duluth campus, \$24 million to renovate and transform Nicholson Hall on the Twin Cities campus into an academic and student center for first-year students, and \$37 million for a new translational science building on the Twin Cities campus that will make the University a national leader in creating workable therapies from theoretical discoveries.

In responses to questions from Wiener, Yudof said the HEAPR projects can be started immediately and the governor's

recommendation for \$10 million in funding for the Nicholson Hall renovation was insufficient to stage the project. Sen. Cal Larson (R-Fergus Falls) expressed concern that the design-build process can create situations where design specifications can only be met by non-Minnesota companies. Yudof assured Larson that the University systematically seeks Minnesota companies and the design-build process is not rigged against Minnesotans.

Chancellor James McCormick of Minnesota State Colleges and Universities (MnSCU) said the \$268 million bonding request was the result of an exhaustive two-year process and is endorsed by the trustees and school chancellors.

McCormick said he endorses the list because he has traveled extensively and seen the needs of the schools first hand. Allan Johnson, vice chancellor for Facilities/Revenue Fund for MnSCU explained the guidelines and process for selecting the 26 projects that comprise the bonding request. Johnson said the selection priorities were safety and asset preservation, program enhancement, facility renewal and renovation, and a strategic link to the academic planning of the institution. He said that two-thirds of the overall request is to renovate existing space. The original bonding request was \$250 million, Johnson said, but the figure was raised to incorporate costs associated with a recent food service fire at Southwest State in Marshall, and the opportunity to purchase property currently owned by Billy Graham Ministries and valued at approximately \$19.5 million that is adjacent to the Minneapolis Community and Technical College (MCTC) in downtown Minneapolis.

Johnson said the governor's funding recommendations match up with all of MnSCU's top nine project priorities except the top priority, a \$100 million HEAPR request, an amount that includes money to address the school's sizeable project backlog. The governor only proposes \$35 million, he said. Among the other priorities Johnson described in detail are \$17.4 million for a new library at Metropolitan State, \$30 million for a new science building at Winona State, \$19 million for a new science building at Minnesota State at Moorhead, and \$9.9 million to remodel the science building at Normandale Community College.

Phil Davis, president of MCTC, said that the school has made its first offer to

purchase the Billy Graham property and is "optimistic" about the outcome of the negotiations. President of Southwest State David Danahar was present to describe the damage caused by the Jan. 2 fire. Danahar said the campus was severely damaged by smoke, soot and water, four buildings on campus remain closed, and the estimated clean-up costs could exceed \$6 million. Danahar was unsure what percentage of the costs would be covered by insurance, but anticipated that everything would be paid for by the insurance company. In a response to a question, Danahar said the school will collect on its \$2.5 million business interruption insurance policy.

Bonding requests adopted

The Higher Education Budget Division, chaired by Sen. Deanna Wiener (DFL-Eagan), met again Wed., Feb. 5, to hear continued discussion regarding the two higher education bonding requests. As a courtesy to Sen. Steve Dille (R-Dassel), Wiener allowed a brief presentation by Dille and Bill Hartman from the Board of Animal Health regarding a \$1.5 million bonding request by the veterinary diagnostic lab at the University of Minnesota for renovations. The purpose of the renovations, said Dille, is to create an inexpensive, molecularly-based diagnosis for John's disease, a chronic, debilitating bacterial infection found in cows. Wiener said the request will not be part of the division's recommendations to the Education Committee.

Chancellor James McCormick and Vice Chancellor Allan Johnson from Minnesota State Colleges and Universities (MnSCU) completed the presentation of the last portion of the system's \$250 million capital bonding request. Most of the projects Johnson described were lower priority design funding for future construction. The plan also includes a \$2.8 million science lab remodeling project at Ridgewater College in Hutchinson and a \$6.3 million renovation and addition to a multi-purpose science, nursing and student services building at Minnesota West Community and Technical College in Worthington. Sen. Anthony "Tony" Kinkel (DFL-Park Rapids) inquired if there was any communication or competition between MnSCU's and the University of Minnesota's bonding requests. McCormick said top school officials have worked together in the past to coordinate educational planning.

Committee update

Stewart McMullan and Peggy Ingison from the Department of Finance presented the governor's capital budget recommendations. The governor has recommended \$86 million of the University of Minnesota's \$239.8 million request, and \$135 million of MnSCU's \$251 million request, Ingison said. The criteria for the recommendations included the protection of public health and safety, the selection of urgent and necessary projects and projects consistent with smart growth principles, she said. Ingison also described charts that placed the governor's recommendations in the historical context of past capital funding. She said the administration's \$221 million total recommendation is just under the 10 year average of \$226 million.

McMullan described the specific projects identified by the governor for funding. He said the criteria under which the projects were chosen were asset preservation, emphasis on science and technology and a consideration of the operating costs of the capital projects. McMullan said the \$35 million HEAPR recommendation for the University of Minnesota is 400 percent higher than the previous \$9 million allotment. McMullan said the governor wanted to fully fund the U's science building in Duluth, but only proposed \$10 million for Nicholson Hall because he was concerned about potential operating costs. The governor's proposal reflects full funding for the top 9 priorities on MnSCU's capital budget, he said, although the governor suggests the system only receive \$35 million of its \$100 million HEAPR request. McMullan also described a proposed provision that all unspent HEAPR money by the end of the biennium will be returned to the general fund. He said the purpose of the provision is to encourage agencies to spend the money as fast as possible. There have been instances when state agencies have requested bonding money when money from previous biennium was still remaining, he said.

Sen. Lawrence Pogemiller (DFL-Mpls.) made a motion to adopt the capital bonding requests of \$239.8 million from the University of Minnesota and \$251 million from MnSCU as the division's recommendation to the Education Committee, and to preserve the order of priority the institutions place the projects. Before the vote was taken, Wiener asked Johnson if MnSCU could spend the full

\$100 million HEAPR funding within the next biennium. Johnson said that if all outstanding contracts are considered, MnSCU had only \$48,000 of unallocated bonding funds from the \$43 million total from last biennium. McCormick added that of the \$250 million in the bonding request, he anticipated \$138 million will be under contract by the end of the year. Pogemiller's motion was adopted.

Environment and Agriculture Budget Division

Riverside development bill heard

The Environment and Agriculture Budget Division reviewed a measure that requests bond proceeds to create parks along the St. Paul riverfront and on Raspberry Island, when the committee met Thurs, Jan. 31. The measure, authored by Sen. Sandra Pappas (DFL-St. Paul), is the first bill brought before the members this session.

The members also heard overviews of the water infrastructure funding program, plans to build a new Department of Agriculture (MDA) laboratory, and the status of the Rural Finance Authority.

Pappas' bill designates \$8.375 million of bond proceeds for the design and construction of river's edge improvements, redevelopment of a park on Raspberry Island and river's edge enhancements to the Upper Landing in St. Paul, just south of downtown. "The development," she said, "will reconnect our state's capital city with America's greatest river." City, federal and private funding, which have already been allocated for the project, cover more than half of the cost, she said.

Sen. Leonard Price (DFL-Woodbury) asked Pappas to separate and prioritize the funding for the two projects instead of asking for a single bond sale for both. He warned that because the bonding was being requested independently of any agency budget, it was less likely to receive funding. The bill was set aside for further discussion.

Terry Kuhlman, director of the Minnesota Public Facilities Authority (PFA), unveiled the wastewater infrastructure priority projects list, which places each proposed city or county sewer system improvement in order of urgency. He said that if the state approves \$4 million in bonding proceeds, as recommended by the governor, 14 of the 203 projects will be

completed. Projects in Appleton, St. Peter and Mentor topped the list.

The PFA also is soliciting \$16 million to match federal clean water and drinking water capitalization grants, Kuhlman said. For every \$1 allocated by the state, he said, the federal government contributes \$5 for clean drinking water infrastructure.

The members addressed the need to construct a new laboratory for the MDA. Commissioner Gene Hugoson said the current laboratory, where the department conducts food product sampling and environmental, grain and soil testing, is inadequate in part due to the lack of air circulation, which endangers employees. He said the department originally considered building a shared facility with the Dept. of Health (MDH), however, the possibility of cross-contamination outweighed the saved costs. Instead, he said, the plan has been revised to include separate MDA and MDH labs located on the same property.

"The co-location," Kuhlman said, "will allow for easy expansion in case of an emergency." He said that in the event of a bioterrorism incident, the proposed MDA labs could be converted to accommodate MDH needs. The close proximity of the facilities would also allow for greater exchange of information on the health of humans, the environment and the food chain, he said.

The building of the new laboratories and an accompanying parking ramp are to be funded through state bonding, said Kath Ouska, assistant commissioner of the Dept. of Administration. However, an office building to house MDH and MDA offices, which need to be adjacent to the laboratories, will be developed by the St. Paul Port Authority on a lease-to-own basis with the state.

Curtis Pietz, the Rural Finance Agency's (RFA) director, presented the bonding requests of the organization, which authorizes state bonds to develop the state's agricultural resources and assist farm real estate lenders, borrowers and beginning farmers. He said currently the agency has \$56 million in active loans and has never missed a bond payment. This year, he said, the RFA is appealing for \$15 million of bond proceeds, of which \$67 million will be used to assist beginning farmers purchase lands. The remainder of the funds, he said, will help finance agricultural improvements, updating of livestock production technologies and debt re-organizing for individual farmers.

Water protection bills considered

The members of the Environment and Agriculture Budget Division weighed the costs and benefits of protecting Minnesota's lakes, streams and drinking water, when the division came together Mon., Feb. 4.

Conserving shore lands, turning brownfields into green spaces, and restoring natural and scientific areas are among seventeen programs funded through bonding in a comprehensive water protection bill, which carries a \$40.1 million price tag. Each program funded by the bill—S.F. 2684, authored by Sen. Deanna Wiener (DFL-Eagan)—is also funded individually in measures by various authors. The measures are being introduced in both forms in order to give the committee greater flexibility in choosing how to fund the initiatives, said Wiener.

Each request is also a part of the 2002 agenda of the Minnesota Environmental Partnership (MEP), a coalition of 73 environmental organizations in the state. "The water protection package is a down payment on doing water conservation right," said Gary Botzek from MEP. "It's a small investment. We're the land of 10,000 lakes. We enjoy our water and use it everyday. But we haven't done it the service it deserves."

Senators Wiener, Jane Krentz (DFL-May Township), Linda Higgins (DFL-Mpls.), and Edward Oliver (R-Deephaven) each presented parts of the total water protection plan that they had authored as separate bills.

Wiener carried S.F. 1247, the bill which addresses the shore land protection segment of the package. S.F. 1247 appropriates \$10 million to the Board of Soil and Water Resources to purchase lake and river shore land conservation easements from private landowners and create vegetative buffers on degraded shore lands.

Because the bill funds both the acquisition and restoration of privately owned lands and the protection of publicly held shorelines, it grants local governments flexibility in how they approach the protection of lakeside land, said Whitney Clark from Friends of the Mississippi. The Metro Area has more privately owned lands that need restoration, while rural communities have more public lakeshore property that requires protection, he said.

The committee also considered the conservation of the 160-acre Seminary Fen

in Chanhassen. Oliver authored S.F. 2485, which appropriates \$2 million in bonding for the purchase and restoration of the land. "We have a rare opportunity to preserve a rare, unique wetland with very rare plants and one of the last remaining native trout creeks in Minnesota," said Oliver.

Judy Erickson from the Friends of the Minnesota Valley said that the owner of the fen had previously been asking \$7 million for the land and had hoped to sell to a developer, but had recently become interested in selling the land to the state. If the seller chooses to give the land to a developer instead, she said, the private water and sewer systems needed to support development would destroy the fen and endanger the Minnesota River. She also said that the land was considered a high priority for preservation by the county biological survey.

Both Wiener's S.F. 2684 and Higgins' S.F. 2581 create a brownfields-to-green-spaces initiative that provides \$3 million of bond revenue for competitive grants to local governments to turn previously polluted sites into open spaces and parks for public use. Susan Schmidt from the Trust for Public Land said the money could be used by counties and municipalities to turn dirty, eyesore lands into lake accesses, additions to trail systems, and recreational and natural spaces. Higgins said the current brownfields program, which turns over-polluted lots into business and economic development ventures, has been very successful but does not allow for the transformation of underused property into green spaces.

Krentz brought three bills before the committee that set aside lands for environmental, educational and recreational purposes. The first of the bills, S.F. 2450, contributes \$4 million to acquire, restore and improve lands for the 19-year-old scientific and natural areas (SNA) program. The initiative preserves biologically rich areas such as old growth forests, blufflands, native prairie and fens. SNAs, said Krentz, protect endangered species and biosystems, and serve as vital educational and research resources. The measure is also included in Wiener's S.F. 2684. Krentz's second bill, S.F. 2560, also included as part of S.F. 2684, funds local initiatives that set aside scenic and natural areas (SNAs) for parks and reserves. For every \$3 given by the state to scenic and natural areas, local governments and

municipalities must commit \$2, under the measure. Schmidt said the money will be used for parks outside of the metropolitan park system and for areas of local significance.

The third bill Krentz brought before the committee appropriates \$15 million for improvements of the metropolitan regional parks system. The money will be matched with \$5 million from the Met Council and \$4 million from federal TEA-21 grants. S.F. 2396 would make funding available for 53 park improvement projects. John VonDeLinda, from Anoka County Regional Parks, said that the initiatives will also serve an economic stimulus purpose by getting people to work on the construction projects, fueling the economy.

Sen. Ellen Anderson (DFL-St. Paul) made a similar argument in favor of funding for rehabilitation of parts of the Como Park Conservatory in St. Paul. Her bill, S.F. 2661, gives \$2.7 million for the final stage of restoration there. She said the design plans have already been made and if funding is approved the construction project could begin in the spring and help create jobs and fuel the economy.

Sen. Pat Pariseau (R-Farmington) asked if the city of St. Paul was contributing money to the conservatory. Anderson said the city pays for all operating costs and is giving 59 percent of the restoration costs. "This is not just a St. Paul project by any means," she said. Of the 2.5 million visitors each year, she said, only 16 percent are from St. Paul.

Sen. Leonard Price (DFL-Woodbury), division chair, asked whether private funding had been solicited for the restoration. Liz Anderson, deputy director of St. Paul Parks and Recreation, said that \$4.9 million had been donated for the initiative from private sources. She also said that Xcel Energy had contributed solar panels for the roof of the fern room, which would generate energy for the conservatory.

All of the bills discussed were held over for further review.

Budget resolution okayed

The Environment and Agriculture Budget Division approved the environment and agriculture budget resolution bill when the panel met Tues., Feb. 5. Chair Leonard Price (DFL-Woodbury) said that the \$10 million budget reduction for FY 02 and FY 03 was twice the amount the division had approved for new spending

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last year. Whereas the governor's plan reduced general fund expenses for agriculture and environment \$37.398 million in 2004 and 2005, the division supported a resolution which only cut \$20 million. In general, Price said, the budget reconciliation bill reduced the budget by about half of what the governor had recommended.

Sen. Jane Krentz (DFL-May Township) said that she had voted against the environment and agriculture budget last year because it did not do enough. "Nevertheless," she said, "this time we did the best with what we had. I think it is very fair."

Sen. Linda Higgins (DFL-Mpls.) offered an amendment, which the division adopted, that allows the Minnesota Zoo to set ticket prices without legislative approval. She said that last year a provision was added onto the omnibus bill at the last minute and had not been approved by the Environment and Natural Resources Committee.

The committee reviewed and laid over for further discussion four bonding bills, two of which deal with recreational trail development. S.F. 125, sponsored by Sen. David Tomassoni (DFL-Chisholm), appropriates \$2 million for the completion of the Mesabi Station, along the 132 mile Mesabi trail. The station will be a central spot for visitors to what will become Minnesota's longest recreation trail, said Tomassoni. Sen. Dennis Frederickson (R-New Ulm) presented S.F. 2388, which provides \$1.2 million for the construction of a recreational trail in New Ulm. All of the money will be matched by federal TEA-21 grant dollars.

Frederickson also brought forth S.F. 2388, which grants \$500,000 to the Regional Sludge Joint Powers Board. The board consists of several cities, including Arlington, Brownton, Glencoe, Henderson, Litchfield, Maple Lake, that have joined together to purchase and operate a mobile belt press for the process-

ing of sludge and manufacture of fertilizer. Tim Korby from the joint powers board said that by forming a coalition and purchasing a single belt press, the cities are several hundreds of thousands of dollars and creatively solving their solid waste problems.

Senators Steve Dille (R-Dassel) and Kenric Sheevel (R-Preston) sponsored bonding measures for the reinvest in Minnesota (RIM) reserve and easement program, which facilitates land easements for new watersheds and lakeshore in order to improve water quality, reduce erosion and create wildlife habitat. Dille's bill appropriates \$14 million to RIM, while Scheevel's measure provides \$25 million. Scheevel's measure, unlike Dille's, stipulates that the priority for funding must be given to RIM projects that are able to leverage federal funding.

John Monson from the Farmer's Service Agency testified that federal CREP dollars are available for many RIM



Senators-elect Mee Moua (DFL-St. Paul), second from left, and Yvonne Prettner Solon (DFL-Duluth), third from left, converse with colleagues Sen. Don Samuelson (DFL-Brainerd), far left, and Sen. Jane Ranum (DFL-Mpls.) prior to the start of floor session Mon., Feb. 4.

Photo by David J. Oakes

projects at up to a 4 to 1 ratio. He said the exact amount of CREP funding varies for each initiative and also depends on how much money is given to CREP under the federal farm bill, which is not yet drafted.

Ron Harnack, executive director of the Board of Water and Soil Resources, said that combining RIM and CREP funding is a great idea, but that projects' priority ratings should not rest entirely on the amount of CREP funding they receive. "We should not prioritize exclusively based on federal money," he said, "because some projects will not be eligible for the funding but will be urgently in need of RIM money."

Harnack also presented the Board of Soil and Water Resources bonding overview.

The RIM program, he said, had facilitated 1,531 easements between 1998 and 2000. According to statistics gathered on almost 1,000 easements, RIM has reduced soil loss by more than 258,000 tons per year and decreased phosphorus in the water supply by at least 132,000 pounds per year. RIM cannot bear all the responsibility of improving the states water quality, he said, but it definitely makes a large difference when implemented as part of a larger framework of environmental programming. The board requests \$21.63 million for the RIM program, \$18.67 million more than the governor recommends. Harnack said that an informal survey found the potential for 390 more easements, which would require \$20 million of state funding.

Trail, park bonding considered

Members of the Environment and Agriculture Budget Division met Wed., Feb. 6, and considered bonding bills for major recreational trailways and other projects.

The first trail funding measure the division considered, authored by Sen. Michelle Fischbach (R-Paynesville), appropriates \$365,000 in bond proceeds for the land acquisition, engineering, and construction of the Lake Koronis recreational trail near Paynesville. The second trail bill, S.F. 2593, authored by Sen. James Metzen (DFL-South St. Paul) allocates \$2 million for the completion of the North Urban Regional Trail, including a bridge over Simon's Ravine, in South St. Paul. Sen. Leonard Price (DFL-Woodbury), division chair, also presented a trail-related bill. S.F. 2480 provides \$5

million for the purchase, easement, and betterment of greenways throughout the Metro Area. The money is made available to local governments through competitive grants. The three measures, like all the bills discussed during the hearing, were set aside for further discussion.

A couple of measures regarding park acquisition and improvement were also heard by the division. S.F. 2480, authored by Price, provides \$4 million for the purchase of park lands and \$31 million for rehabilitation, restoration and repair to natural and recreational areas. According to the Parks and Trails Council of Minnesota, the acquisition dollars are intended to secure parcels in Blue Mounds, Whitewater and Frontenac State Parks that are currently on the market and threatened by housing developments and gravel operations. The large sum for restoration and maintenance purposes will go toward projects such as repairs to sanitation buildings and sewer and water systems. More of the money will be spent on historic building preservation, trail repairs, resource management and parking and road repairs. The other land acquisition bill heard by the division, Metzen's S.F. 2701, provides South St. Paul \$1.5 million to develop the 90-acre Port Crosby Riverfront Park.

Sen. Charles Berg (R-Chokio) brought S.F. 2530 to the division. The bill authorizes the sale of \$1.5 million in bonds to pay for the Lazarus Creek flood retention program. Under the measure, the grant must not exceed 75 percent of the total cost of the initiatives cost. The remaining 25 percent must be matched by Area II Minnesota River Basin Projects, Inc.

All the bills were laid over for further consideration.

Health and Family Security

Several bills approved

Members of the Health and Family Security Committee, chaired by Sen. Dallas Sams (DFL-Staples), met Mon., Feb. 4, to discuss several bills.

S.F. 2381, carried by Sen. Linda Berglin (DFL-Mpls.), reorganizes current hospice service regulatory language in a new statute in order to separate that language from the current language regulating home care. The bill also makes some modifications in existing regulations and repeals—effective upon the adoptions of rules to implement the new regulatory

system—the current law that authorizes the Minnesota Department of Health to regulate hospice services.

Minnesota Hospice Organization Director Eleanor Hands, who testified in support of the bill, said it "uncouples" hospice and home care language in current law. Major aspects of the uncoupling, she said, include making several definitions in current law more appropriate to the service provided, establishing a separate patient's bill of rights for hospice and home care, and providing several new definitions as well. According to the language of the bill, it also establishes a regulatory system for hospice care, institutes licensure requirements for hospice care, and creates enforcement procedures and civil penalties for violations. The bill met no opposition, was approved and sent to the Senate floor.

Sen. Arlene Lesewski (R-Marshall) carried S.F. 2419, which deals with requirements for portable wading pools. The bill states that a portable wading pool located at a family day care or group family day care home is defined as a private residential pool and not as a public pool, so long as the portable pool has a maximum depth of 24 inches and is capable of being manually emptied and moved. The bill also permits a child at a family or group family day care to use a portable wading pool if the child's parent or legal guardian has provided written consent. According to the bill, the written consent form must include a statement that the parent or legal guardian has been given and has read material regarding the risk of disease transmission, as well as other health risks, associated with the use of portable wading pools.

Such a bill was actually passed two years ago, but according to Lesewski, was included in a portion of Minnesota law that was recently sunset. As a result, she said, the law needs to be passed again. Sen. Leo Foley (DFL-Anoka) asked if parents assume responsibility if their children contract any diseases from contaminated water. He wondered if children would be put at risk if the pools were not regulated. Responding, Jerry Kirber, of the Minnesota Department of Human Services, said the department was "neutral" regarding the bill. He said that while he was not excited about the bill, because there were no problems reported during the two years before the language was sunset, the department was not opposed to reinstating it as law. The bill was approved and sent to the Senate floor.

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Sams carried S.F. 2459, which deals with supplemental nursing services agencies. The bill modifies legislation adopted in 2001 that regulates supplemental nursing services agencies that provide temporary nurses, nurse aides and related personnel for health care facilities. The legislation changes the definition of the agencies, requires those agencies to carry a surety bond in an amount determined annually by the Minnesota Department of Health and maintain workers' compensation coverage for all medical personnel provided by the agency. It also requires the agencies to file identifying information on the financial institution where the agency deposits employee income tax withholdings and information on any employee placed by the agency whom it believes is not subject to income tax withholding. According to Minnesota Health and Housing Alliance representative John Hustad, the bill improves benefits for employees and allows nursing homes to better operate and provide care. The bill was approved and sent to the Senate floor.

Members also heard testimony from John Gross of the Minnesota Department of Commerce and Kent Peterson of the Minnesota Department of Health, who reported on the findings of the Small Business Health Insurance Task Force. The task force, which met during the summer months, studied Minnesota's health coverage market available to small businesses. Members of the task force also made recommendations for solutions that would make small group health coverage more accessible and affordable to small businesses.

According to Gross and Peterson, the task force categorized their final recommendations into those that need no further review and should be immediately implemented, those that need some further review and should be partially implemented, and those that need more review and should wait to be implemented.

According to the report, the task force recommended for immediate implementation removing certain restrictions on HMO's to give them increased flexibility with their deductibles and co-payments. Also, the group recommended capping renewal rate increases for each small employer group to 15 percent plus the index change or trend. They said the change would reduce the number of employers that drop health coverage when

they experience sudden high losses and rate increases. Another recommendation was to eliminate current minimum loss ratio standards. They said the change could encourage new health carriers to enter Minnesota's market, but also could increase premiums. The task force also recommended allowing health carriers to file their forms and rates and then use the rates prior to approval. Currently the average approval rate is 30 days, and Gross and Peterson said initiating the policy would accelerate the introduction of new products. However, they also said it could cause difficulties if problems were eventually discovered in the application.

The recommendations were meant to serve as background information for members of the committee for potential legislation dealing with the task force study and were briefly discussed.

Bill for airline workers discussed

Members of the Health and Family Security Committee, chaired by Sen. Dallas Sams (DFL-Staples), met Wed., Feb. 6, to hear a bill exempting the waiting period for entrance into MinnesotaCare, the state subsidized program that provides health coverage for low-income children, families, and single adults.

The bill, S.F. 2491, carried by Sen. David Johnson (DFL-Bloomington), deals with a clause in law that prohibits people from receiving MinnesotaCare until they have been without insurance for four months. It exempts from the 4 month "no other insurance" barrier for eligibility to MinnesotaCare any individual or the family of an individual who has been laid off from work between March 11, 2001, and March 15, 2002, from a scheduled, regional, domestic or international airline, a charter airline, a cargo airline, an airport operated by the Metropolitan Airports Commission, other airports, or a business operation at the airport. It also states that the language of the bill will expire if federal money becomes available for health care coverage for the individuals or their families.

Johnson said the bill is designed to help the many airline industry workers who lost their jobs—he estimates between 700 and 1,000 in his district alone—after the attacks of Sept. 11. As a result, he said, they are forced to either pay high COBRA payments to receive health insurance or wait four months to become eligible to receive MinnesotaCare.

Sen. Sheila Kiscaden (R-Rochester) said many people across the state lose their jobs, and asked why MinnesotaCare should be expanded for airline industry workers, but not for others. She said it would only be fair to open the program to everybody, but added that it could not be expanded for all without "direct tax implications."

"You put us in a very difficult spot with this proposal," she said. "On the one hand it's too narrow and on the other hand we really don't have the funds to do it."

Johnson said he found it difficult to draw the line on eligibility.

"I tried to balance the cost with the need to help folks," he said. However, he added that he had no problem expanding the bill to include others who need the help.

Kiscaden also wondered why the bill includes those who were laid off starting March 11, 2001, if it was designed to help those who lost their jobs after Sept. 11. Responding, Sen. Michelle Fischbach (R-Paynesville) offered to amend the bill to replace the March dates to instead include workers who lost their jobs between Sept. 12, 2001 and Sept. 12, 2002. Also, the amendment deletes all references to the airline industry to expand the bill in order to exempt from the four month period all workers in the state who were laid off during that time. Kiscaden raised concerns regarding how the bill, as amended, would be paid for, but the amendment was approved.

Kiscaden offered an amendment disqualifying individuals and families from MinnesotaCare once they reached a certain level of income. The amendment changes current law, which allows an unlimited amount of time to receive MinnesotaCare, and was also approved.

Tim Atkinson, legislative officer with the Airline Mechanics Fraternal Association, testified in support of the bill. He said some of those he's been in contact with are currently paying \$700 per month for health insurance under COBRA. He also said in a situation of mass layoffs there is a large group of people—all with the same job skills—looking for a limited number of jobs, which makes a difficult situation worse. He said that many families currently have no options, and need help. The bill was approved and sent to the Finance Committee.

Sen. Linda Berglin (DFL-Mpls.) carried a bill that amends the civil

commitment act passed last year. The bill, S.F. 2457, strikes the word “imminent” related to the standard that must be met in order to commit or detain an individual. The change specifies that an individual must be in “danger” of injuring self or others instead of in “imminent danger” of injuring self or others in order to be detained. The bill also specifies that the term “community-based program” may include inpatient services at a community hospital, for purposes of this section of law. Berglin said the bill was meant to clean up language that should have been excluded from last year’s bill.

Several people testified in opposition to the bill. Local resident Judy Thompson said she was “gravely concerned” with the effects the bill could have on what she termed Minnesota’s abusive mental health system.

Louise Bouta, from the Well Mind Association of Minnesota, also opposed the bill. She said that many times patients are misdiagnosed—or not given a thorough enough evaluation—and are thus forced to go through treatment they do not need. She said treatment can many times involve practices that would “shock the consciences of all Americans,” and can be damaging to the person being treated. According to Bouta, laws that allow the use of involuntary treatments should be inherently suspect and are incompatible with the principle of self-determination.

“Public policy needs to move in the direction of a totally voluntary, community-based mental health system that safeguards human dignity and respects individual autonomy,” she said.

Sen. Leo Foley (DFL-Anoka) said he also had concerns regarding the removal of the word “imminent.” He said that he is concerned about such things as the use of drugs in treatment and the quality of a patient’s legal defense. Also, Foley said that proper safeguards and a higher standard are necessary. However, the bill was approved and referred to the Judiciary Committee.

Kiscaden carried S.F. 2622, a bill that creates a volunteer health care program. The bill requires the commissioner of health to establish a voluntary health care provider program within the department to facilitate the provision of free health care services provided by health care providers through eligible health care facilities and organizations. The bill also states that a health care provider who provides free

health care services under the provision is an employee of the state for purposes of tort liability.

According to Kiscaden, the bill was developed to make it easier for health care professionals to volunteer for charity health care programs by providing them with liability coverage through the state. She said that many doctors are able to volunteer around the world for various charities, but are unable to do so at home because of malpractice concerns. She said the impetus for the bill came as the result of the desire of the Salvation Army in Rochester to start a free dental clinic, but added that it has a statewide impact as well.

Sen. Pat Pariseau (R-Farmington) asked what kinds of charitable organizations can receive coverage under the bill. She asked if the bill gives tort liability coverage to health care professionals at Planned Parenthood because it covers all organizations that provide free services. Kiscaden then offered an amendment to the bill that changes all references to covering organizations that provide free services to organizations whose services are “unpaid.” The amendment was approved, and the bill was approved and referred to the Judiciary Committee.

Sen. Don Samuelson (DFL-Brainerd) carried S.F. 2655, which extends the Board of Physical Therapy’s authority to adopt rules prescribing a code of ethics for licensees 18 months following the effective date of the bill. Under current law, the board has 18 months from the effective date of the law authorizing the rules to adopt the rules. If the rules are not adopted within the time period, the authority to adopt rules expires. The bill gives the board another 18 months. The bill was approved and sent to the Senate floor.

Health, Human Services and Corrections Budget Division

Budget cuts adopted

Members of the Health, Human Services and Corrections Budget Division, chaired by Sen. Linda Berglin (DFL-Mpls.), met Tues., Feb. 5, to discuss S.F. 2468, the division’s portion of the omnibus budget bill.

Most of the meeting focused on the division’s proposed budget cuts, and Berglin revealed which programs receive proposed cuts in funding due to the nearly

\$2 billion shortfall in the state’s general fund. She reported that the division was instructed to cut \$75 million from the division’s budget and then outlined several principles which guided her as she decided which programs would be reduced or eliminated. First, she said that the decisions regarding funding reductions were not about whose district the reduction was affecting or if the programs were Senate or House proposals. Once bills are passed, she said, programs are not somebody else’s, but they become “ours.” Regarding programs that were not touched, Berglin said the proposal keeps the prescription drug program fully funded, has no reduction in programs for the elderly or the disabled and has no cuts to the Minnesota Family Investment Program (MFIP). Berglin also reported that she tried to minimize cuts that would increase property taxes, reduce the loss of matching federal dollars and give fewer cuts to programs that received no increase in previous years. She said she tried to make the cuts be as “gentle as possible.”

By department, the proposed program reductions over the 2002-03 biennium include approximately \$50 million to the Minnesota Department of Human Services (DHS), \$13 million to the Minnesota Department of Health, \$11 million to the Minnesota Department of Corrections and \$1 million to the Public Defense Board. Among the programs in DHS proposed for elimination are a new treatment program for children with autism funded by Medical Assistance (MA), the work first program and congregate housing grants. Among the areas receiving funding decreases are pharmacy reimbursements, the prepaid medical assistance program (PMAP), asset sheltering devices for MA long term care insurance and various department administrative costs. The bill also proposes establishing a county contribution, effective Jan. 1, 2004, for the costs of nursing facility care that exceeds 90 days for persons with disabilities under the age of 65, provides an increase in the nursing home license surcharge and provides a nursing home facility rate increase as well. The bill reduces the MA rate for fee-for-service admissions paid to hospitals for inpatient and outpatient services and reduces the contract rates to managed care plans for providing services under the MA and General Assistance Medical Care programs by .25 percent for services provided on or after July 3, 2003.

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Among the programs in the Department of Health proposed for elimination are the grants for the juvenile assessment center, fetal alcohol syndrome curriculum, development health status improvement and occupational respiratory disease information system. Programs proposed for reduction are the medical education and research costs (MERC), startups for health disparities and suicide prevention, as well as various administration costs. Among the programs in the Department of Corrections proposed for elimination are the pre-trial evaluation reimbursement and the re-entry program. Slated for reduction under the proposed budget are various juvenile services and administration costs and the department receives a one time adult institution reduction as well.

Sen. Dan Stevens (R-Mora) asked why the programs dealing with Temporary Assistance to Needy Families (TANF) funds seemed to be off limits for elimination or reduction. Responding, Berglin said that, especially in the current economic climate, she didn't want to take funds away from the programs that affect the state's most needy people. However, Stevens said that everything should have been looked at so that everyone could have shared a "little of the pain," and so that reductions in other programs could have been softened. Berglin also said she didn't want to lose, in the years to come, the federal money that comes with TANF programs because money was cut from the programs this year. The bill was approved and sent to the Finance Committee.

Jobs, Housing and Community Development

Unemployment programs examined further

Minnesota's slipping economy and the resultant swell in unemployment occupied the members of the Jobs, Housing and Community Development Committee, when they met Fri., Feb. 1, to hear a presentation of the Legislative Auditor's report on financing unemployment insurance and testimony of workforce assistance organizations.

In the past year, said John Yunker, who worked on the recent Legislative Auditor's report, the number of persons claiming unemployment insurance has more than doubled. "The insurance fund," he said, "is quite vulnerable to depletion

with only a mild recession." However, he said, "depletion would not interrupt payments to the unemployed." Instead of cutting benefits, the state would have to borrow money from the federal government to meet its obligations, he said.

Yunker said the unemployment insurance fund survived the recession between 1990 and 1991 without borrowing and had been growing throughout the past decade. But, he said, the fund cannot now withstand even a minor economic cold spell without going into the red. The fund's vulnerability, he said, is due to the fact that the fund's growth was because of interest earned, but the surcharge rates for employers had been dropping.

Yunker said the state has no mechanism in place to pay the interest on money borrowed for unemployment insurance and advised that the Legislature put one in place during the session. He also said the state may be able to avoid paying interest by making short term loans.

Commissioner of Trade and Economic Development Rebecca Yanisch brought to the committee an estimate of how much money would be needed by the dislocated workers program to assist all of the 2,400 workers who could potentially be laid off by Fingerhut, which announced its closing earlier this year. She said that in addition to the \$4 million currently available, \$5.5 million would be needed to provide training, job counseling and other benefits to the workers.

Sen. David Johnson (DFL-Bloomington) inquired about the amount of money needed to keep the program solvent through the present recession. Yanisch said the department was still trying to decide what the proper amount would be. Johnson said that the administration should immediately find an appropriate estimate because the committee deadline was less than a week away. Luke Weisberg, director of the Governor's Workforce Development Council, said approximately \$65 million, \$30 million more than what is currently available, is needed by the dislocated workers program to weather the current recession. "The number," he said, "is purely a guess." Since the dislocated workers fund's inception, he said, the Legislature had diverted \$30 million to the general fund. The Council, he said, advocates putting the money back into the workers fund.

Representatives from two nonprofit employment services organizations,

Goodwill Easter Seals and Lifetrack Resources, testified against the termination of their funding, which comes partially from the dislocated workers fund. Kelly Matter from Goodwill Easter Seals said her organization provides jobs for disabled workers through job training and placement programs. "Every individual who loses his or her job due to cuts in the system will actually cost the state more money," she said. She explained that those workers would become eligible for dislocated worker benefits and other programs less cost-efficient than those provided by nonprofit organizations.

Airline layoffs addressed

The crippling grip of the recession on Minnesota's laid-off airline workers received the attention of the Jobs, Housing and Community Development Committee, Wed., Feb. 6. The members also considered a measure to create ergonomic standards for workplaces and heard the Dept. of Economic Security report on parental leave.

Sen. David Johnson (DFL-Bloomington) presented a measure that makes employees from airlines, airports or businesses at airports laid-off since Sept. 11, 2001, eligible for up to 26 additional weeks of unemployment benefits. Under the bill, a former airline-related worker must be enrolled in a job training program and not be eligible for any other unemployment benefits in order to qualify for the extra help.

Johnson compared his bill to the measure passed last year that provided laid-off LTV mine workers with extended benefits. Similar to the mine employees, he said, the airline cutbacks were disproportionately affecting a certain community.

Sen. Martha Robertson (R-Minnetonka) said that the situation of the airline-related workers is not as difficult as the LTV mine employees because the mine was located in a remote location with very few other job opportunities. The closing of the mine had a much more disproportionate affect on the rural community, she said.

"There are a lot more similarities than differences between the airlines and LTV," said Johnson. "There are 700 to 1,000 workers who lost their jobs in my district," he said. "It's a massive, massive impact. Many of these jobs paid well, over \$30,000 per year." Robertson replied that instead of relying on the LTV model, the unique circumstances of the airline

industry should be taken into consideration.

Sen. Yvonne Prettner Solon (DFL-Duluth) asked whether the bill covered workers laid-off by the Northwest Airlines reservation center in Chisholm and maintenance facilities in Duluth. Sen. Ellen Anderson (DFL-St. Paul) said that under the measure, all airline-related workers would be covered, including those in Chisholm and Duluth.

Johnson offered an amendment that also extended the additional benefits to workers let go by Fingerhut, which recently announced that, due to bankruptcy, thousands of jobs would be lost. Sen. Dave Kleis (R-St. Cloud) said that there was still potential that the company would be bought out and jobs would be saved, but the amendment was needed in case of the worst scenario.

Sen. Michele Bachman (R-Stillwater) asked what impact the extended benefits would have on the unemployment insurance fund. Director of the Unemployment Insurance Program Jack Weidenbach said that extra benefits could cost as much as \$60 million, but that most likely the expense would be only a small fraction of the maximum cost potential. Many workers do not claim benefits they are entitled to or get jobs before their unemployment insurance payments run out, he said.

The committee approved the amendment and moved the bill to the floor.

Sen. Julie Sabo (DFL-Mpls.) brought forth a bill, S.F. 2514, that requires the commissioner of labor and industry to adopt an occupational safety and health standard regulating workplace ergonomic hazards to prevent work-related musculoskeletal disorders, including carpal tunnel syndrome. The measure requires the standards to address ergonomic risk factors such as awkward postures, force, repetitive motion, repeated impacts, and vibration.

Several union representatives testified about the risk of incurring musculoskeletal disorders through work related motions and the cost-effectiveness of reducing the danger. Lucena Slaten from the International Association of Machinists Local 1833 presented findings from many scientific studies proving the harm musculoskeletal disorders have on the workforce. She cited a study by the National Academy of Sciences that found that 1 million people lose work time each year due to repetitive stress related injuries.

Lynn Hinkle from the UAW described an ergonomics program created in collaboration between the union and Ford Motor Company. Extensive ergonomic training, risk analysis, and danger abatement, he said, were part of the program. "The auto industry has been under extreme financial pressure to cut costs," he said. "But Ford keeps the program. Ford doesn't do anything that doesn't have a cost benefit." He said that not only do musculoskeletal disorders increase medical costs for companies, but also reduce the quality and quantity of production by reducing efficiency.

Sabo said that while musculoskeletal disorders do cause companies to lose money, the real motivation behind her bill was the human cost of permanent physical injuries.

Beth Hargarten from the Dept. of Labor and Industry said that the department agrees that there is a need for heightened safety standards. However, she said, "Adopting an ergonomics standard by the year 2003 is, quite frankly, impossible." She said that Washington was the only state with a comparable initiative and it took five years of research to write. "Maybe we could do it in less than three years," she said. "But what you would get would be worth nothing." She said the standards are far too controversial to be written quickly. Instead, she said, by getting the opinions of scientists, labor groups and the business community compromises could be found and a solid standard could be put into place.

The bill was laid over for further discussion.

The committee also heard a presentation by Anthony Algoni, principle planner for the Dept. of Economic Security, on the usage of paid parental leave. The department defines paid parental leave as employer-reimbursed time away from work, not funded via disability insurance, accrued vacation or sick leave, for employees who experience a birth or adoption. Algoni said that only 3.4 percent of employers in the state offer paid parental leave, but those who do experience a 85 percent rate of participation. According to a department estimate, which Algoni said was not reliable statistically, 92,000 workers have access to paid parental leave.

The fields in which employers are most likely to offer the benefit are professional and business services and informa-

tion, he said. Businesses provide many reasons for not giving the benefit, he said, but the most common were that workers did not demand it and the administrative costs involved. The advantages of giving paid parental leave were reported by employers to be increased employee retention and recruitment. The downsides of paid parental leave, he said, were that businesses lost persons with unique skills for longer periods of time and had less freedom to consider giving paid leave on a case by case basis.

Anderson said she had hoped to see a report that took into consideration the experiences and viewpoints of workers.

State and Local Government Operations

Gun range bill heard

Chair Jim Vickerman (DFL-Tracy) convened the initial State and Local Government Operations Committee meeting Tues., Feb. 5. Members began with a discussion on a revised version of a bill, H.F. 209, regulating gun ranges. The author of the bill, Sen. Steve Murphy (DFL-Red Wing) said the delete-everything amendment was the product of extensive negotiations with state agencies, associations, and local governments. Murphy explained the amended proposal includes provisions for a 500 foot setback requirement for dwellings near gun ranges, nonconforming properties, previous local ordinances and noise standards. Remi Stone of the League of Minnesota Cities said that after extensive discussions her organization believes Murphy's amendment is a fair and reasonable compromise. Sen. Don Betzold (DFL-Fridley) made a motion to delete a section of the amendment dealing with frivolous litigation, saying it was redundant. The motion was accepted with a voice vote. Bill Urseth, owner of the Minnesota Horse and Hunt Club, said as a representative of the gun range industry, he found the amendment very reasonable.

Stan Hakanson from Washington County spoke in opposition to the bill. Hakanson warned legislators that the legislation serves only to protect gun range owners from litigation and takes regulatory ability out of the hands of local communities. Hakanson said the proposed bill allows substandard gun clubs to stay in business. Chair of May Township Bill

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Voedisch said the proposal caters to the gun lobby by creating a protected class of gun range owners. The proposal wrests regulatory control away from local bodies, he said, and removes the incentive for gun ranges to negotiate with local government. Even if passed, Voedisch said, there should be an additional amendment that prevents the expansion of gun ranges without consultation with local government.

In a response to an inquiry from Sen. Chuck Fowler (DFL-Fairmont), Committee Counsel Daniel McGowan confirmed the proposed legislation was a significant departure from standard Senate practice of allowing local governments to control local activities. Sen. Claire Robling (R-Prior Lake) said she had a problem with the section of the measure that deals with the 500 foot setback, because the provisions were unclear for adjacent property owners.

Betzold moved to alter the language to require gun range disclosure in real estate transactions only when the property is within one mile of a range. The motion was adopted. Vickerman suggested the proposal be set aside to work out problems raised in the hearing and for further study. Murphy agreed, and the committee voted to set the proposal aside.

Sen. Roger D. Moe (DFL-Erskine) authored S.F. 2434, a proposal to change the Polk County Recorder and Auditor-Treasurer from elective offices to appointed positions. Polk County Commissioner Warren Affeldt said the purpose of the bill is to create more efficiency and has the full support of the Polk County Board. He added there is a provision for a reverse referendum if requested by 10 percent of county voters. Affeldt said the county needs this change to be able to find qualified people for the positions in the future. The motion to recommend S.F. 2434 to the full Senate was approved.

Betzold sponsored S.F. 2432, a bill that allows Anoka County to have special bonding authority to raise money for the emergency radio system. Betzold said the radio system is outdated, but the county is presently unable to raise money for the proper equipment due to bonding restrictions. Anoka County Commissioner Dave McCauley estimated the cost of the new radio system at \$12.5 million, much of that amount for the purchase of mobile radios for public safety officials. The bill was approved and re-referred to the Tax Committee.

State Government, Economic Development and the Judiciary Budget Division

Governor's bonding bill heard

Members of the State Government, Economic Development and the Judiciary Budget Division met Sat., Feb. 2, to review the administration's bonding proposal. The panel, chaired by Sen. Richard Cohen (DFL-St. Paul), reviewed the projects proposed by the governor for those areas under the division's jurisdiction.

The total amount of bonding requests from the agencies involved is \$629.5 million, while the governor is proposing a total of \$147.76 million.

Specifically, the governor recommends \$115.7 million for Dept. of Administration projects, \$3.29 million for Capitol Area Architectural Planning Board projects, \$4.3 million for Dept. of Military Affairs projects, \$4.46 million for publicly owned transitional housing loans under the Housing Finance Agency, and \$20 million for grant programs under the Dept. of Trade and Economic Development. Under the governor's plan no money is allocated for the Iron Range Resources and Rehabilitation Board or for the various projects proposed by local political subdivisions such as the Guthrie Theatre, the St. Cloud Civic Center expansion or the district steam heating system infrastructure requested by the city of Virginia.

Much of the bonding requested by the governor is for state government asset preservation and repair. The division took no action on the proposals.

Budget plan okayed

A budget reconciliation plan that cuts \$25 million from state agency budgets was approved at the Tues., Feb. 5, meeting of the State Government, Economic Development and the Judiciary Budget Division. Division Chair Richard Cohen (DFL-St. Paul) said, "These are ongoing cuts taken from the base of the affected agencies." Cohen also explained that the division's original target for budget cuts was \$40 million, but that the Tax Committee was undertaking the budget reconciliation for the Dept. of Revenue and therefore, the department's budget was not included in the division's plan.

Cohen also said that where departments suggested cuts, the division plan followed those suggestions. He also stressed that the agencies were to apply the cuts across the board and not single out pass-through grants as targets for the cuts. "It is to be understood that the agencies must treat pass-through grants like everything else," Cohen said.

The proposal recommends a 3 percent cut for the Legislature and a base reduction of 2.8 percent for the Governor's Office. However, the proposal does eliminate the Office of Citizenship and Volunteer Services, as recommended by the office, and, further eliminates the Washington, D.C. Office. The plan also recommends a 3 percent cut for the Attorney General's Office along with language specifying that the attorney general, in consultation with the affected agencies, prepare a plan for ending partnership agreements and submit the plan to the Legislature by November of this year. Cohen said the plan recommends only a 2 percent cut for the Secretary of State's Office because the office brings in revenue and that the division needs to be careful in making those cuts. Several areas in the Dept. of Administration are cut 5 percent under the plan for a total of \$2.08 million. The plan also makes 5 percent cuts in the Dept. of Finance, the Dept. of Employee Relations, the Dept. of Military Affairs, the Lawful Gambling Control Board, the Government Innovation and Cooperation Board, Minnesota Technology, Inc., the Dept. of Economic Security, the Judicial Standards Board, the Tax Court of Appeals, the Dept. of Human Rights, and the Uniform Laws Commission. The plan sets forth 4 percent cuts for the Dept. of Veterans Affairs, the Veterans of Foreign Wars, the Military Order of the Purple Heart, the Disabled American Veterans, the Minnesota State Arts Board and the Minnesota Humanities Commission.

The members adopted several amendments making adjustments to the original proposal. Sen. Ellen Anderson (DFL-St. Paul), offered an amendment restoring funding for dislocated worker funds. Anderson, supported by Sen. Dave Kleis (R-St. Cloud), argued that the need for worker retraining is especially acute because of the recession and that funding must be maintained to assist those who have lost their jobs. Anderson said the result of the amendment is a total of \$18.3 million in one-time appropriations to aid those most in need. The amendment was adopted.



Ceremony participants examine a corrective plaque to the Spanish-American war memorial after its unveiling in the Capitol rotunda Mon., Feb. 4. The new plaque is installed just below the original, which the Philippine Study Group of Minnesota says gives a misleading view of Filipino cultural heritage and of the role of Minnesota troops who fought in the 1899-1902 conflict.

Photo by David J. Oakes

Sen. Martha Robertson (R-Minnetonka) successfully offered an amendment clarifying the reduction for the Office of Strategic and Long Range Planning. Sen. David Johnson (DFL-Bloomington) also successfully offered an amendment to restore funds to the workforce development program. Finally, Johnson also offered an amendment, which was adopted, to delay the merger between the Dept. of Trade and Economic Development and the Dept. of Economic Security for one year.

The division's budget reconciliation plan was approved and forwarded on to the full Finance Committee.

In other action, the panel began reviewing proposals for the division's portion of the bonding bill. S.F. 2679,

sponsored by Sen. Roger D. Moe (DFL-Erskine), provides for \$150 million in bonding for Greater Minnesota development. The bill provides for a grant program for cities to provide up to 50 percent of the capital costs of public infrastructure needed for an eligible economic development project. Further, the bill specifies the purpose of the grants is to keep or enhance jobs in the area, increase the tax base or to expand or create new economic development.

Most of the remaining proposals require matching funds from either private sources or local government entities. Sen. James Metzen (DFL-South St. Paul), sponsored a bill, S.F. 2579, providing \$4 million for a matching grant for funds appropriated by Dakota County to the

housing opportunities enhancement fund (HOPE) and \$5 million for a supportive housing facility. S.F. 2621, authored by Sen. Sheila Kiscaden (R-Rochester), authorizes the appropriation of \$2.3 million in bond proceeds for the Rochester Arts Center. S.F. 2397, sponsored by Sen. Mee Moua (DFL-St. Paul), provides for an appropriation for a grant to the city of St. Paul to design and construct the Minnesota Neighborhood House Immigration and Community Resource Center. The measure also provides for an appropriation to the city of Minneapolis to renovate a building on East Franklin Ave.

S.F. 2552, sponsored by Sen. Sandra Pappas (DFL-St. Paul), appropriates \$2 million to the city of St. Paul for an engineering study and predesign of the

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historic Cass Gilbert connection of the Capitol through downtown St. Paul to the Mississippi River. S.F. 2574, authored by Sen. John Marty (DFL-Roseville), provides for an appropriation of \$137,500 for an interpretive center at the Gibbs Museum of Pioneer and Dakotah Life. S.F. 2587, sponsored by Sen. Jim Vickerman (DFL-Tracy), provides for a \$225,000 appropriation from the bond proceeds fund to the city of Tracy for revitalization of the central business district, including replacement of street lighting and sidewalks.

S.F. 2537, carried by Kleis, provides for a \$22.5 million appropriation from the bond proceeds fund to a grant to the city of St. Cloud to acquire land and for site preparations, and to design, construct, furnish, and equip an expansion and remodeling of the St. Cloud Civic Center. S.F. 2606, authored by Sen. Yvonne Prettner Solon (DFL-Duluth), provides for a \$3.175 million appropriation for improvements to the Spirit Mountain Recreation Area. Prettner Solon said the improvements may include replacement of the snowmaking system, remodeling of chalet and banquet facilities, expansion of runs, and new development of a family skiing area under the bill. Finally, members also discussed a proposal, carried by Sen. Linda Higgins (DFL-Mpls.), that establishes three empowerment zones in the city of Minneapolis.

Bonding bills heard

The State Government, Economic Development, and the Judiciary Budget Division, chaired by Sen. Richard Cohen (DFL-St. Paul), met Wed., Feb 6, for discussion regarding several bonding proposals that will be considered for inclusion in the division's recommendation to the Capital Investment Committee. S.F. 664, sponsored by Sen. Linda Berglin (DFL-Mpls.), provides funding for the creation of a senior assisted housing grant program. Grants are for the construction or rehabilitation of publicly-owned housing. S.F. 2565, also sponsored by Berglin, appropriates \$6 million to Hennepin County to build the Colin Powell Youth Center. The facility will provide educational, job training, counseling and other supportive services to disadvantaged youth. Another Berglin authored bill, S.F. 2386, seeks \$30 million to construct the Minnesota Planetarium and Space Discovery Center next to the Minneapolis downtown library. The center will serve

200,000 students per year and be the most sophisticated planetarium in the Upper Midwest. Berglin also carried S.F. 2528, a proposal to authorize \$12 million for the renovation and expansion of the Children's Theater Company. The funds will allow Hennepin County to improve facilities for a museum, art gallery, arts school and auditorium for children's theatrical performances.

Sen. Lawrence Pogemiller (DFL-Mpls.) sponsored S.F. 2646, a proposal to appropriate \$35 million toward the construction of a new Guthrie Theater in Minneapolis. Sen. William Belanger, (R-Bloomington) carried a proposal to authorize \$1 million to build a Bloomington Center for the Arts. Sen. Roger D. Moe (DFL-Erskine) sponsored a bill that sends \$1.4 million to the Red Lake Indian reservation for the construction of an economic development facility. Sen. Bob Lessard (IND-Int'l. Falls) carried S.F. 2367, a proposal to appropriate \$300,000 for a Children's Discovery Museum in Grand Rapids. Lessard also sponsored S.F. 975, which provides \$975,000 to the city of Floodwood to build an industrial park.

Sen. Charles Wiger (DFL-North St. Paul) authored S.F. 2722, a \$3 million appropriation for a unique high performance office building and educational center that incorporates the highest standards in air quality, energy efficiency, human productivity and safety technology. Cohen sponsored a proposal that provides the Roy Wilkins Auditorium \$7 million for roof repairs and Americans with Disabilities Act compliance. Sen. Becky Lourey (DFL-Kerrick) sponsored S.F. 2277, a one-time reimbursement appropriation of \$380,000 for Aitkin County for extraordinary expenses related to homicide investigations.

Taxes

Forecasting perils presented

With a stated intent not to second-guess the economic analysis of the Department of Revenue, Sen. Lawrence Pogemiller (DFL-Mpls.) and members of the Select Tax Subcommittee on the Revenue Forecast met with local economists—Tues., Feb. 5—to consider the state and future of the national and state economies. Sen. William Belanger (R-Bloomington) said he asked Pogemiller for the hearing because the governor and

departments receive data from DRI, the economic consulting group under contract to provide the state with an economic forecast in February and November of each year. Belanger said the Senate never sees the raw data from DRI and almost never consults with the state's Council of Economic Advisors (CEA). However, State Economist Tom Stinson said that Legislators and staff are invited to attend the meetings, but they cannot comment or ask questions while the CEA is deliberating.

William Melton, Melton Research, said any current measure of the economic outlook should examine what has changed since the November forecast, how the forecast has measured up against actual economic activity and what the state can do to improve its position in the future. Melton called the recession "extraordinarily mild" and said it may not even meet the strictest definition of a recession at all. One of the elements most economic forecasts assumed would be in place by now has not passed—a federal economic stimulus package—and is considered unlikely to reach fruition in 2002, he said. While the economic picture was stronger than predicted in November for the first three quarters of FY 2002, Melton said, the outlook for the coming quarters is weaker than previously forecast. For the future, Melton suggested using multiple forecasts and changing the way the state administers capital gains tax receipts, a highly volatile revenue source.

Daniel Laufenberg, vice president and chief US economist for American Express Financial Advisors, said he believes the recovery is underway. He said that Wall Street economists have almost reached a consensus on revising their previous forecasts upwards. Laufenberg called the recession the mildest on record, if not the shortest. However, he said, because the recession was so mild, the recovery will be equally mild. Laufenberg suggested that DRI is a good representation of the middle ground of economists. Belanger noted that DRI has been wrong in its forecast attempts for the last 10 years. Laufenberg told the panel that forecasting is not a precise science. Any large group of economists, he said, would have reached a consensus forecast similar to DRI's estimates and also would have been wrong.

From the Federal Reserve Bank, Art Rolnick told the panel that "just as business has to manage through uncertainty, so government must manage

through uncertainty.” Until the formation of the CEA, Rolnick said, economic forecasting in Minnesota was very political. The current process, he said, utilizes the most apolitical and knowledgeable path one could devise. Noting that both he and Laufenberg serve on the CEA, Rolnick said the council comments on the DRI forecast and uses economic information that members bring to the table, including information available from both the Ninth District Federal Reserve Bank in Minneapolis and the Washington, D.C., Federal Reserve Board of Governors.

Rolnick emphasized that outside factors can play a major role in economic trends. He said he believes the national economy will remain sluggish “until the war on terrorism is resolved.” Businesses will remain uncertain and be chary of investing in a war-like climate. Laufenberg said that if not for the terrorist attacks in September, a national recession most likely would not have been declared. He added that a recovery will most certainly be derailed by another large-scale terrorist strike. Melton added a word of caution about available economic forecasts—none of them make any allowance for another terrorist event, he said. “Are you willing to bet the ranch that another one will never occur,” he asked the panel.

In response to panel questions about delaying action on the FY 04-05 budget until early 2003, when the economic picture may be clearer, Melton said that in principle, the FY 04-05 budget does not need to be solved right now. However, he said, Senators must ask themselves where the balance of risk lies. If one doesn’t make at least a good effort to plan ahead, he said, what was manageable could be much worse.

Sen. Don Betzold (DFL-Fridley) asked the economists why unemployment is rising if the economy is already in recovery. Rolnick and Laufenberg explained that employment figures are lagging indicators. Laufenberg noted that the Department of Labor indicated that national labor force declined by 1 million people from December 2001 to January 2002, making a comparison between unemployment percentages between the two months suspect. Rolnick added that economists measure economic health in terms of goods and services produced, not jobs filled. Businesses, he said, will tend to maximize productivity for a time before beginning to rehire workers.

The economists reminded the subcommittee that, fundamentally, both the national and state economies are strong. Consumers, Laufenberg noted, did not retrench during the recession. However, he said, that means consumer activity will not be the key to the recovery. Melton said the critical issue for the future is having a higher target for the state’s reserve fund. With more money available to fight the effects of the next recession, the state will be better prepared he said.

Reciprocity discussed

The income tax reciprocity agreement with the state of Wisconsin was the focus of much of the discussion at the Wed., Feb. 6, meeting of the Tax Committee. Jenny Engh, Dept. of Revenue, said reciprocity has been the subject of a long standing discussion between the states of Minnesota and Wisconsin. Engh said there is disagreement over the formula used in the reciprocity agreement, but Wisconsin has been unwilling to make any changes. Engh said Minnesota is losing nearly \$2 million per year under the agreement. Engh also said that although the administration has the authority to end the agreement, the department felt the Legislature should be involved in the decision.

Sen. Lawrence Pogemiller (DFL-Mpls.), committee chair, questioned whether ending the tax reciprocity agreement would threaten the tuition reciprocity agreement Minnesota has with Wisconsin. Engh responded that proposed language ending the tax agreement would also sever the connection between tax reciprocity and tuition reciprocity. In addition, Engh said that ending the agreement would also increase revenue for Minnesota by about \$8 million and reduce administrative costs for the department. The downside, she said, is that some Minnesotans will have to file two tax returns and a few will end up paying more tax.

Pogemiller and several members of the committee indicated support for including the language ending reciprocity in the budget reconciliation bill, if only to give Minnesota added flexibility in negotiating with Wisconsin.

The panel next considered budget reductions for the Dept. of Revenue. Traditionally, budget decisions concerning the department are made in the Finance Committee, but this year, Pogemiller said the agency’s budget would

be decided by the Tax Committee. Accordingly, Pogemiller said the committee’s target is to reduce the department’s budget by \$15 million or 7.5 percent. The governor requested the department to produce two budget cutting plans; one for 5 percent and one for 10 percent. Commissioner Matt Smith said the agency wanted to be very careful in making the cuts in order to preserve areas that are most important in bringing revenue into the state. Specifically, Smith said, a 10 percent cut would require the agency to cut some functions relating to compliance, which would end up costing the state money.

Dennis Erno, Dept. of Revenue, outlined some of the steps the agency has already taken in order to reduce costs. The Maplewood Office is scheduled to close Feb. 15, Erno said, and those employees will be shifted to the main Revenue Dept. building. As a result of the 5.4 percent cut already announced, lay off notices were sent to 42 employees. Erno said that some of those employees, though, are seasonal employees who will not be returning this year.

Smith emphasized the importance of strategic priorities, particularly for technology investment, in the budget cutting considerations and requested that the department be allowed flexibility in making the decisions.

Telecommunications, Energy and Utilities

Power plant bills discussed

Members of the Telecommunications, Energy and Utilities Committee, chaired by Sen. James Metzen (DFL-South St. Paul), met Tues., Feb 5 to hear several bills.

S.F. 2651, carried by Sen. Dick Day (R-Owatonna), exempts the attached machinery and other personal property of the Simon Energy Project—a proposed natural gas turbine electric generation facility to be located in Waseca—from personal property tax. The bill also requires construction of the facility to be completed by Jan. 1, 2004, and excludes from the exemption electric transmission lines and gas pipelines, and interconnections for either, belonging to the property or the facility.

Enrique Simon, chief executive officer and president of Simon Industries,

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Inc., said that no plant of similar size—designed to produce 46 megawatts of electricity—is built without an exemption. Also, he said the exemption saves the plant approximately \$250,000 per year, helping the plant be more competitive and keeping the cost of electricity lower. Simon also said the plant will provide stability and needed generation services to Xcel Energy's Southern Minnesota transmission, prevent energy resource deficits similar to those experienced by the state of California and provide an affordable, efficient and reliable form of electrical generation. He also said it will be small and unobtrusive with a stack of no larger than 60 feet, be similar in size to the nearby Reliant Energy site and be

environmentally friendly. The bill was approved and sent to the Tax Committee.

Sen. Anthony "Tony" Kinkel (DFL-Park Rapids) carried another bill exempting an electric generation facility from personal property tax. The bill, S.F. 2426, exempts a proposed 40 to 50 megawatt simple-cycle combustion turbine electric generation facility—to be built by Otter Tail Power Company in Lammers Township near Bemidji. The bill also requires construction of the facility to be completed by Jan. 1, 2005, requires that natural gas be used as the primary fuel and excludes from the exemption electric transmission lines and gas pipelines, and interconnections for either, belonging to the property or the facility.

According to Bryan Morlock, manager of business development for Otter Tail Power, the plant will be able to meet a peak demand of approximately 17,400 homes. He said it will make Bemidji a highly reliable regional energy emergency location, help promote economic development, increase the area's tax base and provide customer rate protection from market price volatility in case a main generator fails and it is necessary to purchase power from the market. The bill was approved and sent to the Tax Committee.

Sen. Jim Vickerman (DFL-Tracy), carried S.F. 2421, a bill that promotes the use of biodiesel as a fuel for generating electricity. The bill amends the definition



Fourth graders from Snail Lake Elementary school in Mounds View wave American flags as part of a spirited choral performance in the Capitol rotunda Fri., Feb. 1.

Photo by Shelley Hawes

of renewable energy in current law to include electricity generated by a facility that utilizes a fuel blend containing at least 85 percent biodiesel fuel, and the definition of renewable fuel to include fuel with a blend of 85 percent biodiesel. The bill also amends current law that provides a state incentive to operators of certain electric generation facilities by adding facilities that use a fuel blend of at least 85 percent biodiesel fuel to the list of facilities eligible for an incentive.

Vickerman offered to amend the definition of renewable energy in the bill to include electricity generated that contains a fuel blend of up to—instead of at least—85 percent. However, several Senators had concerns with the amendment. Sen. Steve Kelley (DFL-Hopkins) said the amendment changes the bill so that even fuel with only a 1 percent biodiesel blend is considered renewable energy. He said that there needs to be a minimum number, or, “somebody could call as renewable energy fuel that is 99 percent petroleum and 1 percent biodiesel.”

Sen. Ellen Anderson (DFL-St. Paul) also had concerns with the amendment. She said that classifying biodiesel fuel as renewable energy as defined in the amendment enables plants using low amounts of biodiesel to receive incentive money designed to reward plants for using clean energy sources—such as wind, solar and hydroelectric. She also said more information is needed on the cleanliness of biodiesel in different grades. The amendment was withdrawn and the bill was laid over for further review.

Warren Candy, of Rapids Power, testified regarding a proposed heat and power electric generation facility for Grand Rapids. The facility, to be located near the Blandin Paper Company, will burn 40 percent waste wood—mainly from Blandin—and 60 percent coal. Using the best available environmental control technology, the plant will produce far less pollutants than other strictly coal or coal mix facilities and produce less oxides of nitrogen than a gas facility, he said. However, according to information provided, the plant will produce more sulfur dioxide, carbon monoxide and mercury than a strictly gas plant. Candy also said the plant will cost \$6 less per hour to operate than similar sized plants relying exclusively on coal or gas. He said the plant will produce 100 percent of the

paper company’s steam needs and 225 megawatts of wholesale electricity to Minnesota and its neighboring states. Candy also said the facility will enhance Grand Rapids as a site for possible paper mill expansion and provide additional employment to the region—including 500 workers, over 100 subcontractors and 55 permanent staff. A bill regarding the proposed plant will be reviewed at a later date.

Transportation and Public Safety Budget Division

Cuts may close Fort Snelling

Members of the Transportation and Public Safety Budget Division, chaired by Sen. Dean Johnson (DFL-Willmar), met Thurs., Jan. 31, to hear reports from various state agencies regarding the governor’s proposed budget cuts.

Among the agencies discussed was the Minnesota Historical Society, whose representative—Executive Director Nina Archibald—informed the members that part of the effort to cut \$2 million per year from their operating budget of \$27 million includes closing Historic Fort Snelling. The decision, she said, was painful—especially with the 150th anniversary of the state coming in the year 2008—but necessary. She also said that the society hopes closing the site will not be a permanent measure, but a temporary solution. Sen. Claire Robling (R-Prior Lake) asked if entry fees are charged for the site. Responding, Archibald said that an entry fees is charged, but raising it to make up for lost revenue would not be feasible.

“We are at the outside limit of what we think is reasonable,” she said.

Archibald also said the society plans to close the Forest History Center in Grand Rapids and the Grand Mound Historic Site near International Falls, reduce public programs at the Lower Sioux Agency near Redwood Falls and at the Jeffers Petroglyphs site near Comfrey, and limit access to Alexander Ramsey House in St. Paul between November and December. Several programs at the St. Paul Center are reduced under the proposal as well. Finally, Archibald said that reductions include cutting 120 positions, 37 of which are full time.

“This is a difficult place for the society to be,” she said.

Charlie Weaver, commissioner of the Minnesota Department of Public Safety, testified regarding cuts in his department. Weaver said that between 2002-03 the department is cutting a total of \$6.1 million in services, as well as increasing several fees that total \$4.6 million in increased revenue. As a result, the net effect on the general fund is approximately \$10.7 million. In 2004-05, cuts total \$2.4 million and fee revenues increase by \$8.5 million, with a net effect on the general fund of approximately \$11 million. Among the programs cut or reduced are the auto theft prevention program, drug policy and violence prevention program and the state match for disasters. Among the programs with fee increases are those dealing with alcohol and gambling enforcement and DWI reinstatement.

Directing his comments to Weaver, Johnson said that as part of the effort to save money and keep spending down, he hoped that the governor would decrease his travel schedule, which includes money for security purposes. While Johnson said that it is appropriate for the governor to travel in order to promote the state and for goodwill, travel for personal reasons is not always appropriate.

Commissioner of the Minnesota Department of Labor and Industry Shirley Chase testified regarding cuts in her department. Chase said that in the 2002-03 biennium the department is cutting a total of approximately \$826,000 from their current budget of \$7.2 million and \$1 million in 2004-05. The reduction, she said, comes from such things as terminating three staff positions and eliminating salary savings of \$53,000 realized during the state workers strike.

Jim Bernstein, commissioner of the Minnesota Department of Commerce, testified as well. He said the department is decreasing its budget of approximately \$55 million by \$614,000 for the 2002-03 biennium and by \$870,000 for 2004-05. The cuts, he said, come from eliminating two to three staff positions, reducing cosmetology enforcement and reducing gas pump inspection. Bernstein also said the department is adding almost \$95 million to the general fund by transferring that amount from its assigned risk plan to the fund. The plan, he said, has a current surplus of \$170 million.

Neil Melton, representing the Minnesota Board of Peace Officers Standards and Training (POST), also

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spoke. He said the POST Board is cutting its approximately \$9 million budget to \$8.5 million by reducing reimbursements to local governments for law enforcement training, lowering reimbursements in other various local assistance programs and cutting general operating costs.

Lee Sheehy, regional director of the Metropolitan Council, testified also. He said the council is reducing its approximately \$136 million budget for the 2002-03 biennium by \$1.1 million and its \$131 million budget in 2004-05 by \$1.7 million by reducing staff and consultant services.

Paul Erickson, executive director of the Amateur Sports Commission, testified. According to information provided, the commission's budget of approximately \$2.8 million is reduced by \$60,000 for both the 2002-03 and the 2004-05 bienniums.

Johnson also handed out a document with his recommendations for budget cuts. The document—which includes no reductions for the Historical Society—cuts a total of \$10.6 million from the transportation budget in the 2002-03 biennium and \$14 million in 2004-05. The governor recommends cuts of \$18.13 million in 2002-03 and 19 million in 2004-05.

Bonding proposals discussed

The Transportation and Public Safety Budget Division, chaired by Sen. Dean Johnson (DFL-Willmar), met Mon., Feb. 4, to discuss several transportation bonding proposals. Seaway Port Authority official Ray Skelton said the port development assistance program is the means by which the port authority is able to maintain its port infrastructure. Minnesota's five public ports, in conjunction with the Minnesota Department of Transportation, have assembled a list of needed construction and rehabilitation projects that total approximately \$27 million, he said. Skelton added that without the requested \$8 million in funds, which was not included in the governor's recommendations, the port authority is in danger of losing \$3 million in federal matching dollars. The sponsor of S.F. 2476, Sen. Steve Murphy (DFL-Red Wing) said, "As soon as the money is available, the project is ready to roll."

Sen. Jane Krentz (DFL-May Township) said the Northstar Corridor Rail Project, which is a proposed commuter rail route between Rice, St. Cloud and Minneapolis, will serve one of the most

rapidly growing corridors in the country and is part of a comprehensive transportation package for Minnesota. The project calls for \$120 million in state bonding, Krentz said, approximately 40 percent of the total \$294 million budget. Department of Transportation (MnDOT) Commissioner Elwyn Tinklenberg said that people want and support transportation choices. The Northstar Corridor Rail, he said, reflects the value of a "multi-modal" approach because it is a managed, integrated, long-term solution to the corridor's numerous transportation problems. Tinklenberg said the project has 85 percent public approval in corridor communities and anticipates freeing up an additional lane and a half capacity on the roadway during peak periods. When Johnson asked if the project expected any surprises during implementation, Tinklenberg said that because of the grassroots support of the project, he didn't anticipate many community complaints about train noise or station location. MnDOT official Mike Schadauer presented more specifics about the project, including data stating 33 percent of operating costs would be covered by fares, and an estimate range of \$57.1 million to \$134 million for improvements along the route. Sen. Mark Ourada (R-Buffalo) asked where the money would come from if the improvement costs exceeded the lower estimate. Tinklenberg replied that the exact improvement costs can't be known at the moment, but the state contribution would be capped. The panel heard testimony in support of the project from Downtown Minneapolis Council President Sam Grabarski, who said Northstar will assist in the council goal of bringing 60 percent of workers and visitors downtown by public transportation. Tim Houle, Morrison County Administrator urged the committee to extend the project to Little Falls, with an estimated additional cost of \$18 - 34 million. Ourada pointed out that cost per rider increases dramatically beyond St. Cloud.

Sen. Ann Rest (DFL-New Hope) sponsored the \$50 million capital bonding proposal for the Northwest Corridor Partnership, a busway that runs along County Road 81 from Rogers to downtown Minneapolis. Hennepin County Commissioner Mike Opat, said the busway would reduce congestion and give corridor commuters a transportation choice. Robbinsdale Mayor Mike Holtz also spoke

in favor of the busway. Ourada questioned the wisdom of building a bus only lane and said he couldn't support building capacity on a road without allowing at least car-poolers to use it as well. Sen. Dick Day (R-Owatonna) said it was his experience that people simply don't want to ride buses.

General Manager of Metro Transit Mike Setzer said an exclusive busway is the most attractive transportation option because it replicates rail service at a fraction of the cost. Chair of the Metropolitan Council Ted Mondale said a busway is the most cost-effective way to serve the corridor.

Budget cut proposal okayed

The Transportation and Public Safety Budget Division, chaired by Sen. Dean Johnson (DFL-Willmar) met again Tues., Feb. 5 to discuss the division's budget reduction recommendations and several bonding requests. Rick Jonas from the Department of Transportation (MnDOT) explained the \$60 million bonding request for local bridge replacement and rehabilitation. The governor has recommended only \$30 million, Jonas said. Sen. Keith Langseth (DFL-Glyndon) asked about the headway the state is making against unsafe bridges. Jonas replied that in 1976, there were 5,000 deficient bridges while currently there are 2,000 deficient bridges. Since 1976, 5,000 bridges have been repaired, he said, but since then others have become deficient. Jonas said that as few as 100 bridges in the state are considered truly unsafe based on serious structural deficiencies.

Johnson distributed two worksheets to the division that summarized the differences between the governor's and the division's recommendations for budget reductions. Johnson said the governor recommended \$18 million in cuts, while the division proposes a \$10 million cut. The largest single difference, Johnson said, is that the governor recommended a \$4 million cut to the Historical Society, while the division proposes no reduction. Other areas of difference, Johnson explained, come in the division's preservation of several Department of Public Safety programs and funding grants. Sen. Mark Ourada (R-Buffalo) asked for an explanation for \$17 million additional cuts in the governor's proposal in trunk highway bonds. Fiscal Analyst Amy Vennewitz said because the governor proposes to replace



Cindy Spraitz of St. Paul demonstrates the latest technology in augmentative and alternative communication products as part of a demonstration of assistive technology in the great hall of the Capitol Tues., Feb. 5. Photo by Shelley Hawes

\$245 million in funding for MnDOT with money from trunk highway bonds, the governor has selected to pay the debt service on the bonds with a \$17 million transfer from the general fund. Vennewitz said the total debt service on the bonds will increase to \$28 million in 2004 from \$19.6 million in 2003. The proposal was approved and sent to the full Finance Committee. The motion prevailed 4-3.

Sen. Charles Wiger (DFL-North St. Paul) carried a bonding proposal for \$10 million toward a new \$32 million bus garage near Snelling Avenue and Interstate 94. Wiger said the current garage at the site is going to be demolished and the new garage is necessary for the transit authority's long term goals. Mike Setzer, general manager for Metro Transit, said the public subsidy for buses in the Twin Cities is the lowest amongst all similar metropolitan areas and fares are amongst the highest in the country. However, he said, the bus system is one of the most efficient and cost-effective in the country. Setzer said Metro

Transit wants to double ridership by 2020 and the organization would like to build 5 new garages in that time frame. The \$10 million bonding request is a reflection of the organization's need to increase facilities in order to increase service, he said. The new garage is designed to hold 100 buses, Setzer said, the smaller garage will create other development opportunities for the area. Langseth calculated a cost of \$320,000 per bus and said the figure seemed exorbitant. Ted Mondale, chair of the Metropolitan Council said the previous bus garage was built in 1907, so the costs should accurately be extrapolated over a long period of time.

The Amateur Sports Commission was represented by Executive Director Paul Erickson, who said the commission endorsed one \$5.2 million capital project to increase meeting space at the National Sports Center in Blaine. Erickson said the improvement allows larger groups to meet at the complex and increases the tourism impact of the center by up to \$2 million

per year. Commerce Department official Linda Taylor said the department's lone capital request was \$6 million to resurrect the energy investment loan program, which loans money to school districts to make capital improvements in order to lower energy costs. The loans are paid back by the schools with the energy cost reductions. Taylor said the program is currently not running because all of the previous funding from 1996 has been distributed. The department also wants to alter the payback period from 10 to 15 years, she said. The Historical Society was represented by David Kelliher and Director Nina Archabal, who requested \$5.5 million for several projects across the state. Among the projects Kelliher described were the renovation of the Forest History Center in Grand Rapids, improvement to the Hill House and Fort Snelling in the Twin Cities, and building and furniture rehabilitation at the State Capitol in preparation for its 100th anniversary in 2005.

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Karen A. Clark

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Members: 12

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Dille	Johnson, D.E.	Sams	
Fowler	Lesewski	Scheevel	

Capital Investment Committee

Chair: Langseth **Vice Chair:** Wiger
Office: 122 Capitol **Phone:** (651) 296-9612
Meets: Tues., Thurs., 1 - 3:45 p.m., 123 Capitol
Members: 13

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Berglin	Johnson, Douglas	Larson	Wiener
Cohen	Kierlin	Price	

Commerce Committee

Chair: **Vice Chair:** Scheid
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Meets: Weds., Fri., 9 a.m. - 12 noon, 112 Capitol
Members: 13

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Hottinger	Lessard	Oliver	Samuelson
Kierlin	Marty	Pappas	Wiener

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Meets: Weds., Fri., 9 a.m. - 12 noon, 15 Capitol
Members: 12

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Betzold	Krentz	Olson	
Chaudhary	Limmer	Neuville	

Education Committee

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Meets: Mon., Weds., 1 - 3:45 p.m., 123 Capitol
Members: 36

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Chaudhary	Krentz	Price	Schwab
Cohen	Langseth	Ranum	Solon, Y.P.
Fowler	Larson	Rest	Stumpf
Johnson, Debbie	Lesewski	Robertson	Terwilliger
Kelley, S.P.	Limmer	Robling	Tomassoni
Kierlin	Moua	Sabo	Wiener
Kinkel	Murphy	Scheevel	Wiger
Kleis	Olson		

E-12 Education Budget Division

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Meets: Mon., Weds., 1 - 3: 45 p.m. Room 112 Capitol
Members: 19

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Chaudhary	Lourey	Ranum	Schwab
Johnson, Debbie	Moua	Robertson	Tomassoni
Krentz	Olson	Sabo	Wiger
Knutson			

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Members: 17

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Kelley, S.P.	Lesewski	Price	Terwilliger
Kierlin	Limmer	Robling	

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Members: 18

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Dille	Knutson	Pogemiller	Stumpf
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Meets: Mon., Tues., Weds., Thurs., 4 - 7 p.m., 123 Capitol
Members: 37

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Berg	Johnson, D.E.	Neuville	Sams
Berglin	Kiscaden	Ourada	Solon, Y.P.
Chaudhary	Kleis	Pariseau	Stevens
Cohen	Knutson	Price	Terwilliger
Day	Krentz	Ranum	Vickerman
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Chair: Price
Office: 235 Capitol **Phone:** (651) 296-4167
Meets: Mon., Tues., Weds., Thurs., 4 - 7 p.m. 125 Capitol
Members: 10

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Dille	Johnson, Douglas	Ring
Frederickson	Krentz	Wiger

Health, Human Services and Corrections Budget Division

Chair: Berglin
Office: 309 Capitol **Phone:** (651) 296-4151
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Members: 8

Kiscaden	Ranum	Wiener
Lourey	Sams	
Neuville	Stevens	

State Government, Economic Development and the Judiciary Budget Division

Chair: Cohen
Office: 317 Capitol **Phone:** (651) 296-5308
Meets: Mon., Tues., Weds., Thurs., 4 - 7 p.m. 107 Capitol
Members: 10

Anderson	Knutson	Robertson
Johnson, D.H.	Larson	Solon, Y.P.
Kleis	Metzen	Vickerman

Transportation and Public Safety Budget Division

Chair: Johnson, D.E.
Office: 124 Capitol **Phone:** (651) 296-1738
Meets: Mon., Tues., Weds., Thurs., 4 - 7 p.m. Room 112 Capitol
Members: 9

Chaudhary	Foley	Ourada	Sabo
Day	Langseth	Robling	Terwilliger

Health and Family Security Committee

Chair: Sams **Vice Chair:** Higgins
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Meets: Mon., Weds., 1 - 3:45 p.m., 15 Capitol
Members: 11

Berglin Hottinger Pariseau
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Jobs, Housing and Community Development Committee

Chair: Anderson **Vice Chair:** Sabo
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Meets: Weds., Fri., 9 a.m. - 12 noon, 123 Capitol
Members: 15
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Frederickson Johnson, Douglas Orfield Terwilliger
Higgins Knutson Robertson Wiger
Johnson, D.H.

Judiciary Committee

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Meets: Tues., Thurs., 9 a.m. - 12 noon, 15 Capitol
Members: 10
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Cohen Kiscaden Neuville Ranum

Rules and Administration Committee

Chair: Moe, R.D. **Vice Chair:** Hottinger
Office: 208 Capitol **Phone:** 296-2577
Meets: On call (Mon., 8 a.m. - 12 noon; Fri., 1 - 3:45 p.m.), 107 Cap.
Members: 23
Belanger Johnson, D.E. Olson Samuelson
Berg Johnson, Douglas Pappas Stumpf
Berglin Langseth Pariseau Vickerman
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Meets: Tues., Thurs., 1 - 3:45 p.m., 107 Capitol
Members: 13
Betzold Pogemiller Robertson Stevens
Day Reiter Robling Stumpf
Fowler Rest Solon, Y.P.

Tax Committee

Chair: Pogemiller **Vice Chair:** Fowler
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Meets: Mon., Tues., Weds., Thurs., 4 - 7 p.m., 15 Capitol
Members: 30
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Belanger Kinkel Murphy Samuelson
Betzold Lesewski Oliver Scheevel
Fischbach Lessard Olson Scheid
Hottinger Limmer Orfield Schwab
Johnson, Debbie Marty Pappas Stumpf
Kelley, S.P. Moe, R.D. Reiter Tomassoni

Income and Sales Tax Budget Division

Chair: Betzold
Office: G-9 Capitol **Phone:** (651) 296-4147
Meets: Mon., Tues., Weds., Thurs., 4 - 7 p.m. Room 318 Capitol
Members: 13
Fowler Kinkel Marty Reiter
Fischbach Lessard Murphy Schwab
Kierlin Limmer Orfield Tomassoni

Property Tax Budget Division

Chair: Samuelson
Office: 120 Capitol **Phone:** (651) 296-4875
Meets: Mon., Tues., Weds., Thurs., 4 - 7 p.m. Room 15 Capitol
Members: 17
Bachmann Kelley, S.P. Oliver Rest
Belanger Lesewski Olson Scheevel
Hottinger Moe, R.D. Pappas Scheid
Johnson, Debbie Moua Pogemiller Stumpf

Telecommunications, Energy and Utilities Committee

Chair: Metzen **Vice Chair:** Kelley, S.P.
Office: 322 Capitol **Phone:** (651) 296-4175
Meets: Tues., Thurs., 1 - 3:45 p.m., 15 Capitol
Members: 15
Anderson Lesewski Oliver Sams
Frederickson Lessard Ourada Scheevel
Johnson, D.H. Marty Pariseau Tomassoni
Kinkel

Transportation Committee

Chair: **Vice Chair:** Chaudhary
Office: 323 Capitol **Phone:** (651) 296-5285
Meets: Tues., Thurs., 9 a.m. - 12 noon, 112 Capitol
Members: 18
Belanger Langseth Ourada Sabo
Day Metzen Pappas Samuelson
Johnson, D.H. Moua Reiter Schwab
Johnson, D.E. Murphy Robling Terwilliger
Johnson, Debbie

Preview

Monday, February 11

The Senate will meet at 9 a.m.

Education Committee

Chair: Sen. Sandra Pappas

1 p.m. Room 123 Capitol

Agenda: S.F. 2167-Olson: Requiring school boards to allow nonpublic school students to be eligible to participate in extracurricular activities. S.F. XXX-Olson: Requiring school boards to allow charter school students to participate in extracurricular activities. S.F. 2755- Pappas: Requiring nonpublic schools to annually provide notice of equal transportation requirements. S.F. 2411-Reiter: Requiring recitation of the Pledge of Allegiance in all public schools. S.F. 2737-Pappas: Providing diesel fuel emissions information to local school districts and parents. S.F. 2430-Wiger: Requesting the Univ. of Minnesota and MnSCU to develop a policy that allows students to rent instructional materials. S.F. 2488-Larson: Proposing Constitutional amendment; providing for appointment of members of the Univ. of Minnesota Board of Regents. S.F. XXX-Pappas: Allowing undocumented noncitizens to qualify as residents of Minnesota for state higher education purposes. S.F. 2573- Berg: Allowing Independent School District 801, Browns Valley, to begin the school year as early as Aug. 27.

Health and Family Security Committee

Chair: Sen. Dallas Sams

1 p.m. Room 15 Capitol

Agenda: S.F. 2486-Samuelson: Modifying the requirements for major spending commitments of radiation therapy facilities. S.F. 2669-Hottinger: Establishing the Minnesota Emergency Health Powers Act.

Tuesday, February 12

Environment and Natural Resources Committee

Chair: Sen. Jane Krentz

9 a.m. Room 107 Capitol

Agenda: S.F. 2727-Samuelson: Department of Natural Resources lands bill. S.F. 2438- Samuelson: Adding to Cuyuna

Country State Recreation Area. S.F. 2435-Moe, RD: Adding to Big Bog State Recreation Area. S.F. 2511-Scheevel: Authorizing private sale of state land. S.F. 2714-Larson: Public sale of tax-forfeited land in Douglas County. S.F. 2595-Stevens: Authorizing private sale of surplus state land in Sherburne County. S.F. 222-Krentz: Establishing penalties for gross overlimit violations of game and fish laws. S.F. 2676-Krentz: Modifying provisions relating to aquatic plant control permits.

Judiciary Committee

Chair: Sen. John Marty

9 a.m. Room 15 Capitol

Agenda: S.F. 368-Fischbach: Land used for recreational trail purposes civil liability immunity extension. S.F. 2542-Scheid: Business corporations and limited liability companies regulation provisions modifications. S.F. 2625-Higgins: Assisted Reproduction Act. S.F. 2614- Kiscaden: Foster care placement communicable diseases disclosure requirement. S.F. 2622-Kiscaden: Volunteer health care provider program.

Capital Investment Committee

Chair: Sen. Keith Langseth

1 p.m. Room 123 Capitol

Agenda: Discussion of Senate bonding bill.

State and Local Government Operations Committee

Chair: Sen. Jim Vickerman

1 p.m. Room 107 Capitol

Agenda: S.F. 2578-Wiener: Client-directed support programs. S.F. 2589-Larson: Establishing Lakes Area Economic Development Authority. S.F. 2590-Lourey: Permitting appointment of county recorder in Carlton County. S.F. 2572-Hottinger: Establishing a non-profit corporation in Region Nine. S.F. 2670-Higgins: Authorizing city of Minneapolis to construct asphalt plant. S.F. 2551-Pappas: Setting local bonding limits in St. Paul through 2008. S.F. 2680- Limmer: Changing certain requirements in energy codes. S.F. 2568-Rest: Removing limitation on leasing real property in Hennepin County.

Income and Sales Tax Budget Division

Chair: Sen. Don Betzold

4 p.m. Room 318 Capitol

Agenda: To be announced.

Legislative Commission on Pensions and Retirement

Chair: Sen. Dean E. Johnson

6 p.m. Room 112 Capitol

Agenda: To be announced.

Wednesday, February 13

Joint Hearing of the Senate Education Committee and House K-12 Education Finance Committee

Chairs: Sen. Sandra Pappas and Rep. Alice Seagren

8 a.m. Basement Hearing Room, State Office Building

Agenda: Value added testing.

Commerce Committee

Vice Chair: Sen. Linda Scheid

9 a.m. Room 112 Capitol

Agenda: S.F. 2562-Scheid: Revising circumstances in which signature of licensed architect, licensed engineer, licensed land surveyor, licensed landscape architect, licensed geoscientist, or certified interior designer is required. S.F. 2671-Scheid: No-fault auto; regulating residual liability coverage. S.F. XXXX-Hottinger: Prohibiting issuing or requiring excess insurance on property; regulating real estate appraisals. S.F. XXXX-Scheid: Insurance fraud. S.F. XXXX-Foley: Airbag replacement. S.F. 1226-Sams: Regulating basic economic loss benefits.

Crime Prevention Committee

Chair: Sen. Jane Ranum

9 a.m. Room 15 Capitol

Agenda: S.F. 2683-Ranum: Anti-terrorism initiative. S.F. 2563-Schwab: Anti-terrorism act. S.F. 2893-Johnson, Dean: Anti-terrorism initiative. Portions of S.F. 2563 and S.F. 2893 will be offered as amendments to S.F. 2683.

Jobs, Housing and Community Development Committee

Chair: Sen. Ellen Anderson

9 a.m. Room 123 Capitol

Agenda: S.F. 1-Anderson: Minimum wage. S.F. 2641-Marty: Smoking in workplaces and multi-tenant buildings.

Agriculture, General Legislation and Veterans Affairs Committee

Chair: Sen. Steve Murphy
10 a.m. Room 107 Capitol
Agenda: To be announced.

Education Committee

Chair: Sen. Sandra Pappas
1 p.m. Room 123 Capitol
Agenda: S.F. 2736-Pappas: Department of Children, Families and Learning administrative policy bill.

Health and Family Security Committee

Chair: Sen. Dallas Sams
1 p.m. Room 15 Capitol
Agenda: S.F. 2532-Samuelson: Establishing requirements for provider contracting. S.F. 2811-Kiscaden: Establishing a donated dental services program. S.F. 2550-Berglin: Modifying consent requirements for billing Medical Assistance and MinnesotaCare for individual education plan services. S.F. 2753-Robertson: Modifying consent requirements for billing Medical Assistance and MinnesotaCare for individual education plan services.

Health, Human Services and Corrections Budget Division

Chair: Sen. Linda Berglin
4 p.m. Room 123 Capitol
Agenda: To be announced.

Income and Sales Tax Budget Division

Chair: Sen. Don Betzold
4 p.m. Room 318 Capitol
Agenda: To be announced.

Transportation and Public Safety Budget Division

Chair: Sen. Dean E. Johnson
4 p.m. Room 112 Capitol
Agenda: Transportation funding bills.

Environment and Natural Resources Committee

Chair: Sen. Jane Krentz
7 p.m. Room 107 Capitol

Agenda: S.F. XXXX-Krentz: Establishing a deposit on beverage containers. S.F. 2675-Krentz: Modifying recycling container requirements for public entities.

Thursday, February 14

The Senate will meet at 8:30 a.m.

Environment and Natural Resources Committee

Chair: Sen. Jane Krentz
9 a.m. Room 107 Capitol
Agenda: S.F. 1555-Higgins: Regulating the use of lawn fertilizers containing phosphorus.

Judiciary Committee

Chair: Sen. John Marty
9 a.m. Room 15 Capitol
Agenda: S.F. 2457-Berglin: Court involvement in hospital commitment. S.F. 2838-Ranum: Closed public meetings for security issues discussion. S.F. 2839-Ranum: Juvenile Court district judge term limit repeal. S.F. 2820-Johnson, David: Child support past liability period increase. S.F. 1030-Wiger: National Crime Prevention and Privacy Compact. S.F. 2795-Marty: Human rights grievances additional sanctions.

Capital Investment Committee

Chair: Sen. Keith Langseth
1 p.m. Room 123 Capitol
Agenda: Discussion of bonding bill.

State and Local Government Operations Committee

Chair: Sen. Jim Vickerman
1 p.m. Room 107 Capitol
Agenda: S.F. 2881-Cohen: Housing; discretionary municipal subdivision authority. S.F. 2539-Wiger: Providing for contribution by city of St. Paul for construction of a major league baseball park. S.F. 2682-Johnson, Douglas: Making Metropolitan Airports Commission a division of the Dept of Transportation.

Friday, February 15

Crime Prevention Committee

Chair: Sen. Jane Ranum
9 a.m. Room 15 Capitol
Agenda: To be announced.

Jobs, Housing and Community Development

Chair: Sen. Ellen Anderson
9 a.m. Room 123 Capitol
Agenda: Report of the transition team on Workforce and Economic Development Dept. Public testimony regarding the report.

Senate on the World Wide Web

The Minnesota Legislature's Web site has been updated. A joint effort of the Senate, House of Representatives, Legislative Reference Library, Legislative Commissions, and the Office of the Revisor of Statutes, the site offers easier access to a variety of legislative and government information.

The Legislature's page (<http://www.leg.state.mn.us>) includes links to other government agencies and departments, as well as copies of Minnesota Statutes, Session Laws, and Administrative Rules. The page also allows one to track legislation and get general information about the legislative process. The site includes a district finder service for those who need to contact their House member or Senator.

Information about joint legislative departments, the various legislative commissions, and task forces is available at <http://www.commissions.leg.state.mn.us>.

The Senate Web site (<http://www.senate.leg.state.mn.us>) has information about members, committees and Senate staff. The page also has daily and weekly schedules for the Senate, as well as copies of the Journal and Senate Briefly. The status of legislation and confirmation of executive appointments by the Senate is also available.

Educational Videos Available

Two videos, "Discover the Capitol" and "Rules, Laws and Process," can now be accessed through the Legislature's website at <http://www.leg.state.mn.us/leg/youth/video.htm> (Requires Real Player or Windows Media Player.) These videos are excellent sources of information on the history of the State Capitol and on how laws are made in Minnesota. For more information or to borrow a video tape of either program contact Senate Media Services at (651) 296-0264.

Minnesota Senate 2002

Party	Phone	Name	Room	District	Party	Phone	Name	Room	District
DFL	296-5537	Ellen R. Anderson	120 Cap.	66	DFL	296-4370	James P. Metzner	322 Cap.	39
R	296-4351	Michele M. Bachmann	125 SOB	56	DFL	296-2577	Roger D. Moe	208 Cap.	2
R	296-5975	William V. Belanger, Jr.	113 SOB	41	DFL	296-5285	Mee Moua	323 Cap.	67
R	296-5094	Charles A. Berg	25 SOB	13	DFL	296-4264	Steve Murphy	306 Cap.	29
DFL	296-4261	Linda Berglin	309 Cap.	61	R	296-1279	Thomas M. Neuville	123 SOB	25
DFL	296-2556	Don Betzold	G-9 Cap.	48	R	296-4837	Edward C. Oliver	117 SOB	43
DFL	296-4334	Satveer Chaudhary	325 Cap.	52	R	296-1282	Gen Olson	119 SOB	34
DFL	296-5931	Richard J. Cohen	317 Cap.	64	DFL	296-4191	Myron Orfield	227 Cap.	60
R	296-9457	Dick Day	147 SOB	28	R	296-5981	Mark Ourada	145 SOB	19
R	296-4131	Steve Dille	103 SOB	20	DFL	296-1802	Sandra L. Pappas	120 Cap.	65
R	296-2084	Michelle L. Fischbach	15 SOB	14	R	296-5252	Pat Pariseau	109 SOB	37
DFL	296-4154	Leo T. Foley	G-24 Cap.	49	DFL	296-7809	Lawrence J. Pogemiller	235 Cap.	59
DFL	296-5713	Chuck Fowler	G-9 Cap.	26	DFL	296-4188	Yvonne Prettner Solon	303 Cap.	7
R	296-8138	Dennis R. Frederickson	139 SOB	23	DFL	297-8060	Leonard R. Price	235 Cap.	57
DFL	296-9246	Linda Higgins	328 Cap.	58	DFL	297-8061	Jane B. Ranum	120 Cap.	63
DFL	296-6153	John C. Hottinger	205 Cap.	24	R	296-1253	Mady Reiter	132D SOB	53
DFL	296-9261	David H. Johnson	124 Cap.	40	DFL	296-2889	Ann H. Rest	G-24 Cap.	46
DFL	296-3826	Dean E. Johnson	124B Cap.	15	DFL	296-5419	Twyla L. Ring	306 Cap.	18
R	296-3219	Debbie J. Johnson	149 SOB	50	R	296-4314	Martha R. Robertson	141 SOB	45
DFL	296-8881	Douglas J. Johnson	205 Cap.	6	R	296-4123	Claire A. Robling	143 SOB	35
DFL	297-8065	Steve Kelley	321 Cap.	44	DFL	296-4274	Julie A. Sabo	317 Cap.	62
R	296-5649	Bob Kierlin	127 SOB	32	DFL	297-8063	Dallas C. Sams	328 Cap.	11
DFL	296-4913	Anthony G. "Tony" Kinkel	G-9 Cap.	4	DFL	296-4875	Don Samuelson	120 Cap.	12
R	296-4848	Sheila M. Kiscaden	135 SOB	30	R	296-3903	Kenric J. Scheevel	129 SOB	31
R	296-6455	Dave Kleis	107 SOB	16	DFL	296-8869	Linda Scheid	303 Cap.	47
R	296-4120	David L. Knutson	133 SOB	36	R	296-9248	Grace S. Schwab	151 SOB	27
DFL	296-7061	Jane Krentz	111 Cap.	51	R	296-8075	Dan Stevens	105 SOB	17
DFL	296-3205	Keith Langseth	122 Cap.	9	DFL	296-8660	LeRoy A. Stumpf	G-24 Cap.	1
R	296-5655	Cal Larson	153 SOB	10	R	296-6238	Roy Terwilliger	115 SOB	42
R	296-4125	Arlene J. Lesewski	131 SOB	21	DFL	296-8017	David J. Tomassoni	111 Cap.	5
IND	296-4136	Bob Lessard	G-51 SOB	3	DFL	296-5650	Jim Vickerman	226 Cap.	22
R	296-2159	Warren Limmer	155 SOB	33	DFL	297-8073	Deanna L. Wiener	303 Cap.	38
DFL	296-0293	Becky Lourey	G-9 Cap.	8	DFL	296-6820	Charles W. Wiger	301 Cap.	55
DFL	296-5645	John Marty	325 Cap.	54					

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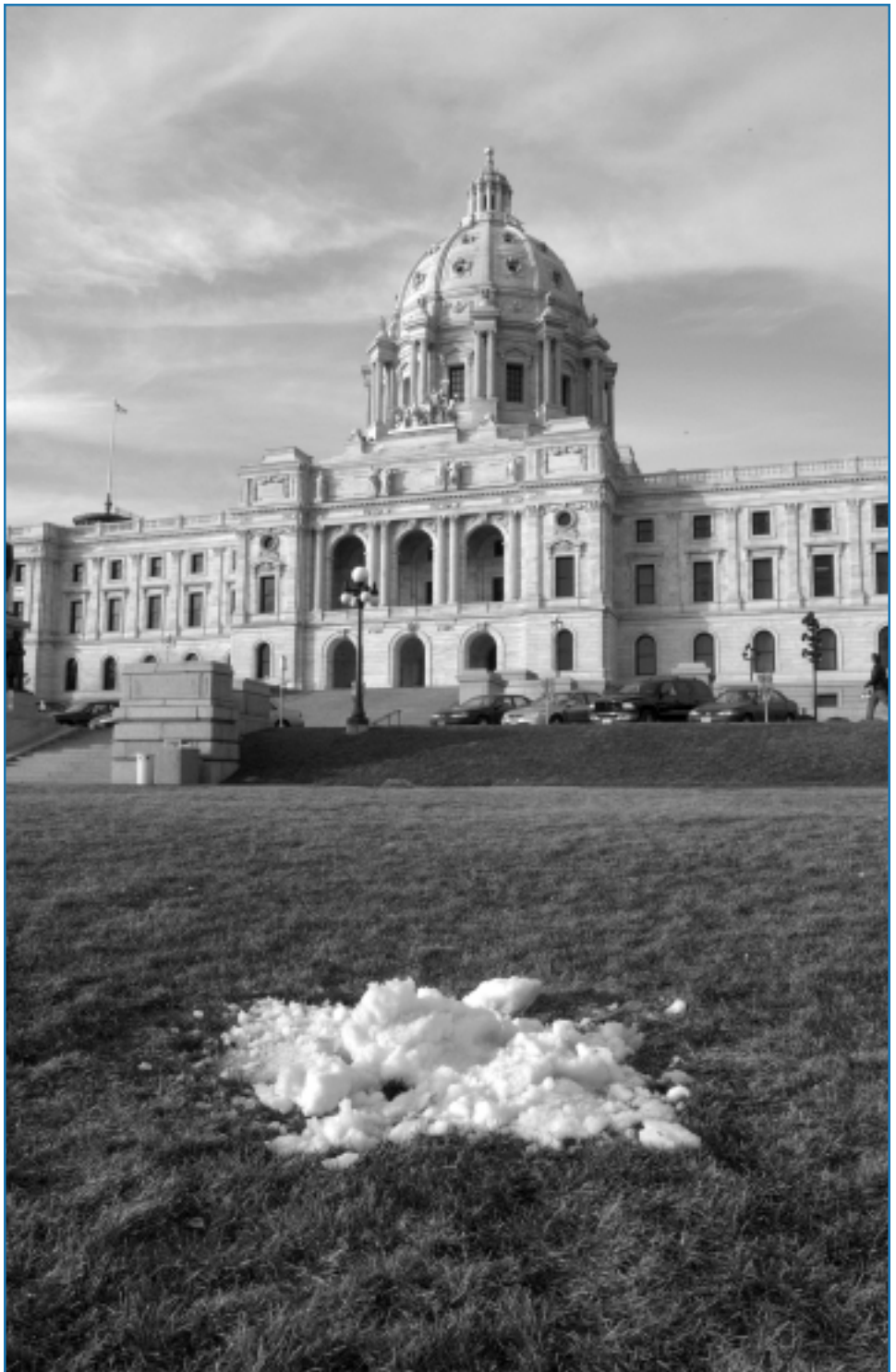
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*In the wake of an extraordinarily mild Minnesota winter, only a small remnant of snow can be found on the front lawn of the Capitol, Valentine's Day 2002.
Photo by David J. Oakes*



February 15, 2002

Senate Highlights

Bonding bill unveiled

Explaining the process the committee underwent to formulate bonding priorities, Sen. Keith Langseth (DFL-Glyndon) said members embarked on several tours of Minnesota during the interim. "I know Minnesota better than I ever did before," he said, "and I am far more impressed with Minnesota than ever before." Langseth, chair of the Capital Investment Committee, said the most dire needs were found in higher education science labs. Thus, he said, higher education needs were put at the top of the list—resulting in the requests from the University of Minnesota and the Minnesota State Colleges and Universities being approved in their entirety. After higher education, Langseth said, the committee prioritized state responsibilities outside higher education and gave the lowest priority to regional and local projects. We went as far as we felt we could with non-higher education projects, Langseth said.

The bonding proposal—presented at the committee's Tues., Feb. 12, hearing—provides for almost \$1.2 billion in capital improvements. The bill appropriates over \$219 million and \$266 million to the University of Minnesota and MnSCU, respectively. It also allocates over \$117

million to the Department of Natural Resources, \$116 million to the Department of Trade and Economic Development, and almost \$100 million to the Department of Administration. The bill also includes over \$70 million in funding for education—including the Perpich Center for Arts Education, the Minnesota State Academies in Faribault and the Department of Children, Families and Learning. Over \$10 million is appropriated for the Minnesota Zoo, including over \$7 million for the first phase of a planned expansion. The bill requires that the Zoo provide the commissioner of finance with proof that at least \$2.4 million in non-state funds are available for the expansion project before the bond funds are released.

Senate Counsel explained several procedural changes within the bill, including requirements that government bodies submitting multiple requests must also indicate a prioritization of the requests and that local governments must perform their own pre-design and cannot pass pre-design costs onto the state after a project is approved in concept. Sen. Sheila Kiscaden (R-Rochester) said large communities are heavily advantaged under the new language because they have the resources

to perform pre-designs, while smaller communities lack the available funds. "Pre-design is desirable," she said, but the state must attempt to offer equal opportunities to all communities. Both Langseth and Sen. Douglas Johnson (DFL-Tower) said they share her concerns.

Sen. Deanna Wiener (DFL-Eagan) asked if the state keeps records on contractors used for previous projects. She expressed dissatisfaction with the original work performed to build the Perpich Center and said relatively new buildings, like the Perpich Center, should not need to be filing capital requests so soon after they are built. Assistant Commissioner Kath Ouska, Department of Administration, said the department does engage in follow-up on projects. The first option, she said, is to resolve the dispute on the spot, finding a solution that is acceptable to both the vendor or contractor and the state. If the dispute cannot be resolved, Ouska said, vendors can be prevented from bidding on projects for a certain length of time, depending on the severity of the dispute.

Noting that the Department of Human Services is allocated \$3 million for capital improvements at the Fergus Falls Regional Treatment Center, Sen. Linda Berglin (DFL-Mpls.) asked if the center wasn't going to be closed, as proposed under the operating budget reconciliation plan advanced by the governor. Alan Vanbuskirk, from the department, said the appropriation reflects the need to relocate psychiatric treatment services from the main building on the Fergus Fall campus, which is over 100 years old. He said the department requested the appropriation before the budget reconciliation plan was announced. Vanbuskirk said the department's focus is to leave the treatment services in the Fergus Falls area, if not on the actual campus of the regional treatment center. Assistant Commissioner Elaine Timmer said the operating budget savings will be realized almost entirely from closing most of the center, but that the \$3 million requested for capital investments is contingency planning if the psychiatric treatment services must remain on the campus, in a smaller building. Berglin said the complexity of the department's plans for the regional treatment center are only coming to the light of day now. Details of the plans to close the center, either totally or only partially, are integral to the Senate's

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consideration of the department's operating budget, she said. "We need a line-by-line breakdown of where the cuts are coming from," Berglin said.

The panel approved the bonding proposal and re-referred the proposal to the Finance Committee.

Anti-terrorism bills heard

The Crime Prevention Committee focused the entire hearing Weds., Feb. 13, on measures designed to improve the state's response to terrorism activities. Sen. Jane Ranum (DFL-Mpls.), chair of the committee, said the panel held two hearings after Sept. 11 to discover gaps in the state's response to natural or man-made disasters. Ranum said the bill she is

sponsoring, S.F. 2683, is the result of the work done in those hearings. "The greatest obstacle to rapid, effective response is a breakdown in communications," Ranum said, "and the first portion of the bill is communications and appropriations language that falls under the purview of another committee." The second portion of the bill concerns policy under the Crime Prevention Committee's jurisdiction, she said. "The bill does not include anything that is included in the federal 'Patriot Act' that was enacted last fall. We took a bare bones approach to provide additional tools for security, but not overreach into the area of personal civil liberties," Ranum said.

The bill authorizes the closing of government meetings when the meetings involve security issues or emergency responses, requires Minnesota identification cards and driver's licenses for noncitizens who aren't permanent resident aliens to expire at the same time the person's visa expires, expands the definition of murder in the first degree to include causing death by acts of terrorism, expands the trespass law penalty to a gross misdemeanor for trespassing on the grounds of public utilities, creates a 25-year felony for using biological agents with intent to cause death, disease or injury, expands the definition of terroristic threats, increases the penalty for bomb threats and creates a 10-year felony for causing the evacuation or disruption of a place by displaying, releasing or threatening to release biological or chemical agents.

Members also heard overviews of two additional anti-terrorism bills. S.F. 2563, carried by Sen. Grace Schwab (R-Albert Lea), contains provisions that are in the bill moving through the other body. Schwab said the measure includes provisions strengthening the 800-megahertz radio system, increasing penalties for hoaxes and provisions relating to drivers licenses and weapons of mass destruction. S.F. 2893, carried by Sen. Dean Johnson (DFL-Willmar), contains the proposals developed by the administration. Johnson said the bill contains provisions relating to sharing data, the freezing of assets, motor carrier tracking and creating the crime of soliciting to commit terrorism. Ranum said provisions in the other two bills would be discussed as amendments to S.F. 2683.

Schwab offered an amendment providing funding for the expansion of the 800-megahertz radio system. After discussion on whether or not the amendment fell under the committee's jurisdiction, the amendment was amended to delete the appropriation amount and funding source. The amendment was adopted.

Members also adopted another amendment offered by Schwab. Originally, the amendment enhanced the penalty for falsely reporting a crime. However, Sen. Thomas Neville (R-Northfield) offered an amendment, which was adopted, to specify that whoever informs a law enforcement officer that an act of terrorism has been committed, knowing that it is false, is guilty of a felony.

Neville's amendment was adopted and that portion of the Schwab amendment was adopted.

The committee also added several amendments to clarify the definition of "act of terrorism" in the bill. As amended, the definition specifies "act of terrorism" means an act that is intended to harm human life and to intimidate, injure or coerce members of the public in addition to the direct victims of the act; influence the policy of a government by intimidation or coercion; or affect the conduct of government through the destruction of property, assassination, murder, kidnapping or theft of motor vehicles, aircraft, trains, water-going vessels, or other means of transportation.

Sen. Linda Berglin (DFL-Mpls.) offered an amendment spelling out that the grants in the bill were not to be used for monitoring persons exercising their lawful rights or for unlawful discrimination. The amendment was adopted.

Sen. Dave Kleis (R-St. Cloud), offered two amendments. The first incorporates language passed by the Senate in a previous session making it a crime to destroy laboratory property. The amendment was adopted. The second amendment is a section of S.F. 2893 making it a crime to solicit for terrorism. The amendment was also adopted.

Finally, members adopted language, offered by Schwab, that defines "critical public service facility" as railroad stations, bus stations, airports, and other mass transit facilities and oil refineries for purposes of the bill.

The measure was approved and re-referred to the Telecommunications, Energy and Utilities Committee.

Capital Investment Committee Bonding Proposal

Bonding appropriations

U of M	219,101
MnSCU	266,563
Perpich Center	3,155
Dept. of CFL	65,255
State Academies	4,896
DNR	117,172
MPCA	11,500
OEA	3,450
BOWSR	14,800
Dept. of Agriculture	15,292
Zoological Garden	10,184
Dept. of Admin.	99,450
CAAPB	2,879
Amateur Sports Commission	6,250
Arts	35,500
Dept. of Military Affairs	4,857
MnDOT	67,546
Met Council	28,000
Dept. of Commerce	5,000
Dept. of Health	775
Dept. of Human Services	24,463
Veterans Homes Board	17,344
Dept. of Corrections	31,943
DTED	116,375
IRRRB	1,800
Historical Society	9,143
Bond Sale Expenses	1,068
Cancellations	(1,013)
Total	1,182,748
General fund debt service	1,076,080
User financed debt service	104,410
General fund	3,271
General fund cancellations	(1,013)

Figures are in \$ thousands.
Source: S.F. 3203, as introduced

Committee update

Agriculture, General Legislation and Veterans Affairs

Pasture definition discussed

Members of the Agriculture, General Legislation and Veterans Affairs Committee, chaired by Sen. Steve Murphy (DFL-Red Wing), met Fri., Feb. 8, to discuss a bill clarifying the definition of pastures for the purpose of animal feedlot regulation.

The bill, S.F. 2516, authored by Sen. Dallas Sams (DFL-Staples), defines pastures to mean areas where grass or other growing plants are used for grazing and where a concentration of animals is such that a vegetation cover is maintained during the growing season. Under the bill, vegetation is not required in the immediate vicinity of supplemental feeding or watering devices; in corrals and chutes where livestock are gathered for sorting, veterinary services, loading and unloading trucks and trailers, and other necessary

practices related to good animal husbandry; in livestock access lanes used to convey livestock to and from areas of the pasture; or winter feeding areas where vegetation cover is maintained during the growing season and that are in compliance with current law. The bill also exempts pastures from certain rules applying to livestock feedlots, poultry lots and other animal lots.

Although he said he was disappointed to be discussing the definition of pasture again, Bruce Claydon, from the Minnesota Turkey Growers Association, testified in favor of the bill. He said many farmers find it a hassle to obtain certain permits and it is important to clarify the definition. Chris Radatz, from the Minnesota Farm Bureau Association, also supported the bill. He said it cleaned up some gray areas in current law and included safeguards to continue to protect water.

Rod Massey, from the Minnesota Pollution Control Agency, opposed the bill. He said the bill has no limitations on the density of animals or size of the pasture

and is not proactive regarding manure management. He said the bill—instead of placing restrictions on pastures—just exempts them from all of the rules. If problems with permitting are the issue, he said, the bill should deal with that and not simply eliminate any rules governing pastures. Sen. Becky Lourey (DFL-Kerrick) also said the language of the bill seemed to exempt feedlots from current rules.

Sams offered to amend the bill to define as pasture a winter feeding area greater than five acres to include a size limit. However, Massey said the amendment didn't help, since he has seen piles of manure alone that exceeded five acres and since it didn't deal with the concentration of animals. The bill was laid over for further review.

Murphy carried S.F. 1792, which provides funding for ethanol production in the state and is meant to make up for the elimination of ethanol funding in the omnibus budget balancing bill. According to Murphy, the value of ethanol production is substantial.



Senators Richard Cohen (DFL-St. Paul), left, and Linda Berglin (DFL-Mpls.) pore over a spreadsheet as the Capital Investment Committee convened Tues., Feb. 12, to consider the Senate bonding bill.

Photo by David J. Oakes

“There’s no reason in the world the state of Minnesota can’t be a leader, not only in the production of ethanol, but in the production of renewable energies,” he said.

Gerald Tumbleson, from the Minnesota Corn Growers Association, testified in support of the bill. He said the funding benefits over 8,000 farmers but will also benefit communities in Greater Minnesota in the form of added tax revenue and greater economic success. The bill was approved and re-referred to the Tax Committee.

Sen. Steve Dille (R-Dassel) offered S.F. 2502, which authorizes the sale of bonds and appropriates money to upgrade the veterinary diagnostic laboratory building at the University of Minnesota. Dille said the upgrade is necessary so the university can do a better job of performing diagnostic work. He said the renovations have been planned for the past three years. The bill was laid over for further consideration.

Sen. Dan Stevens (R-Mora) authored S.F. 2594, which establishes a sustainable agriculture and renewable energy loan program. The bill was approved and re-referred to the Finance Committee.

Stevens also carried S.F. 2569, which states that refunds or rebates of federal and state sales taxes paid after June 30, 2001, may not be considered a means of support for purposes of eligibility for entrance to a Minnesota veterans home. The bill was approved and re-referred to the Finance Committee.

Pasture rules exemption discussed

Members of the Agriculture, General Legislation and Veterans Affairs Committee, chaired by Sen. Steve Murphy (DFL-Red Wing), met Wed., Feb. 13, to continue discussion on S.F. 2516, a bill clarifying the definition of pastures for the purpose of animal feedlot regulation.

Sen. Dallas Sams (DFL-Staples), author of the bill, offered an amendment changing certain aspects of the bill. The amendment defines “pastures” under animal feedlot rules as being areas where grass or other growing plants are used for grazing and where the concentration of animals is such that a vegetation cover is maintained during the growing season. It states that vegetation cover is not required in the immediate vicinity of supplemental feeding or watering devices; in associated corals and chutes where livestock are

gathered for sorting, veterinary services, loading and unloading trucks and trailers, among other activities; and in associated livestock access lanes used to convey livestock to and from areas of the pasture. The bill also states that pastures are exempt from the rules authorized for animal feedlots. According to Sams, the amendment satisfactorily deals with the many issues of contention that were debated at the previous meeting. Minnesota Pollution Control Agency representative Rod Massey, who testified at the previous meeting regarding several concerns the agency had with the bill, concurred.

“We have to work together on these issues and I think it’s a good compromise,” said Sams.

Clean Water Action representative Tom Dunwall testified regarding some concerns with the bill. Part of the amendment, he said, struck the word “temporary” from the section stating that vegetation cover is not required in the immediate vicinity of supplemental feeding or watering devices. He said without the word “temporary” the amendment allows supplemental feeding to be performed permanently. He also spoke against the section exempting pastures from animal feedlot rules. He said these clauses prevent regulation of manure and manure run-off. However, Massey said the agency could still regulate any clean water violation. Sams offered to amend the section exempting pastures from animal feedlot rules to clarify that it was only exempting pastures from the rules of one particular section. He said the amendment would add clarity to the exemption, and it was adopted.

The bill was approved and re-referred to the Environment and Natural Resources Committee.

Sen. Jane Krentz (DFL-May Township) carried S.F. 2884, which prohibits the nontherapeutic use of animal feed containing certain antibiotics and establishes a surcharge on all commercial feeds that contain antibiotics.

David Wallinga, from the Institute for Agriculture and Trade Policy, testified in support of the bill. He said 70 percent of all the antibiotics in the United States are given to healthy food livestock and poultry as growth promoters or to prevent disease. He said the antibiotic is passed on to people when meat is eaten or through contaminated water from run-off, and as a

result, recent scientific evidence links the routine use of antibiotics in the animals with rising problems with antibiotic-resistant infections in humans. He pointed out that several European countries such as Sweden and Denmark have banned most or all use of antibiotics for growth promotion and have seen only negligible increases in costs. In America, he said, it is estimated that use of the antibiotics could be banned at a cost of no more than three cents per day to the consumer.

“This could be done with minimal or no impact to the producer and consumer,” he said.

Sams asked if antibiotics can be cooked out. Wallinga said they can, but often meat is under cooked. Also, Krentz said that 80 percent of the antibiotic passes through the animal before it is slaughtered. Sen. Steve Dille (R-Dassel) said he found it difficult to believe that much of an antibiotic would run-off into local water supplies. He also said the issue should be looked at by the federal Food and Drug Administration and not by the Minnesota Legislature. Responding, Krentz said studies have found considerable amounts of various antibiotics in streams. The bill was laid over for future discussion.

Sen. Charles Wiger (DFL-North St. Paul) carried S.F. 2923, which creates two new Minnesota license plates. One plate includes the phrase “proud to be a veteran” and the other plates includes the phrase “proud to be an American.” Revenue from the two plates goes toward a World War II memorial, Wiger said. The bill was approved and sent to the Finance Committee.

Sen. Bob Lessard (IND-Int’l. Falls) carried S.F. 1072. The bill designates the photograph “Grace”—a famous photograph of an elderly man praying taken in Bovey, Minnesota—as the state photograph and requires it to be displayed in the Office of the Secretary of State. The bill was approved and sent to the floor.

Murphy carried S.F. 2915, which eliminates the sunset date for the purchase of military service credit. The bill was approved and sent to the State and Local Government Operations Committee.

Commerce

Insurance fraud addressed

Members of the Commerce Committee took up several bills dealing with insurance matters, including a bill consoli-

Committee update

dating Minnesota's efforts to prevent and thwart insurance fraud, during their meeting Wed., Feb. 13.

"Insurance fraud occurs every day in many ways," said Sen. Linda Scheid (DFL-Brooklyn Park) as she presented S.F. 3015 to the panel. She said others, including the insurance industry and a former attorney general, have indicated that the average Minnesota family pays about \$1,000 a year to cover the costs of insurance fraud. Scheid, vice-chair of the committee, said that while many laws are on the books to protect consumers, Minnesota lacks "a focused effort to detect and prevent insurance fraud." The bill, patterned after a model act of the Commission Against Insurance Fraud, creates a division of insurance fraud within the Department of Commerce. Currently, Scheid said, Minnesota is one of only four states lacking such a division. S.F. 3015 also transfers the fraud investigation unit from the Department of Labor and Industry and the automobile theft prevention program (ATPP) from the Department of Public Safety to the new division.

Robert Johnson, executive vice president of the Insurance Federation of Minnesota, said the bill is supported by a wide range of consumer, regulatory and industry groups. "That's money that shouldn't be paid," he said of the \$1,000 per family cost of insurance fraud. Johnson said the ATPP has reduced automobile thefts 33 percent since its formation a few years ago. Programs that target insurance fraud have a proven track record of positive results, he said. Sen. John Hottinger (DFL-Mankato) said the average family pays about \$1,800 in state income tax per year. Reducing insurance fraud, he said, will impact Minnesota's families far better and far more easily than any reduction in the income tax. Commissioner of the Department of Labor and Industry Shirley Chase said she supports the transfer of the fraud investigation unit because the unit will still be investigating workers compensation fraud—its current mission—and will be able to increase its effectiveness by working with similar units in the new division. The bill was approved and re-referred to the State and Local Government Operations Committee.

Scheid also carried S.F. 2671, a bill clarifying state law to conform to an interpretation of the law used by the Department of Commerce prior to a recent Minnesota Supreme Court decision.

Deputy Commissioner Gary Lavoisier said the department has always taken the position that liability coverage moves with the driver of a vehicle and not with a vehicle itself. The bill requires motor vehicle liability insurance to cover liability of relatives of a named insured who live in the insured's household when they are driving a vehicle other than the insured vehicle, with the owner's permission. The committee approved the bill and referred it to the full Senate.

The committee re-referred to the floor a bill that had been approved by the committee last year but was returned at the end of the last session under Senate rules. The bill—S.F. 1226, carried by Sen. Dallas Sams (DFL-Staples)—provides that a person entitled to no-fault benefits is entitled to full medical expense benefits without managed health care limitations.

Members also approved a bill requiring the replacement or repair of a damaged, deployed or missing federally-mandated air bag. S.F. 2970, carried by Sen. Leo Foley (DFL-Coon Rapids), exempts vehicles more than seven years old and establishes violation of the statute as a misdemeanor. Alyssa Schandler, Minnesota Auto Dealers Association, said there are only three ways to test for the presence of an air bag, none of which are foolproof. She said that air bags are expensive—ranging from \$800 to \$2,000—which may explain why some vehicle owners choose not to replace them after a collision. Schandler also said the only federally-mandated air bags are in the steering wheel and in the passenger's side dashboard, even though some vehicles come equipped with more air bags. The bill was sent to the floor.

The committee also approved two other bills as part of its hearing. S.F. 2562, also carried by Scheid, clarifies that the signature of a licensed professional—such as an engineer, architect or interior designer—is required only on a document considered, by industry standard, to be a final work product and not a draft document. The bill was sent to the State and Local Government Operations Committee. S.F. 2953, authored by Hottinger, changes state law to prevent insurers from issuing property insurance policies for an amount exceeding the replacement value of buildings and covered improvements on the property. Current law limits policies to the fair value of the property. Hottinger said current law allows insurers to issue

policies based on increasing land values, even though the replacement cost of the home on the land has not gone up. The bill was sent to the full Senate.

Crime Prevention

Gun safety bill okayed

A bill setting safety standards for firearms made and sold after June 30, 2002, was approved and sent to the Senate floor by members of the Crime Prevention Committee at the Fri., Feb. 8, hearing.

S.F. 1861, sponsored by Sen. Jane Ranum (DFL-Mpls.), requires firearms to have both a visible serial number and a serial number that cannot be altered or erased, to have an external locking device, to have a built-in locking device and to pass other specified safety tests. The measure had been discussed at a previous hearing and Ranum offered an amendment to address some of the concerns raised by members at the earlier hearing. The amendment deletes sections of the bill that required firearms to have a mechanism capable of preventing a five-year-old from operating the firearm and that required pistols to have a positive manually operated safety device. The amendment also clarifies sections detailing the "drop test" that firearms are required to undergo under the measure and expands a provision requiring the Bureau of Criminal Apprehension to determine which make and model of handguns fulfill the safety requirements outlined by the bill. The amendment was adopted.

Sen. Thomas Neville (R-Northfield) offered an amendment to require a work group to study the issue of gun safety and develop recommendations for a set of standards. Neville said, "I was surprised to learn that guns did not have to meet any safety standards and I think we should make sure there are safe guns, but I don't believe we have enough information to put standards into law at this time." Neville said the amendment also requires that guns manufactured after Jan. 1, 2003, and sold or imported into the state after Aug. 1, 2003, have an external locking device and include a warning on the risk of handguns in the home and proper methods of storage. Ranum opposed the amendment and said that the safety standards in the bill have been shown to be workable in other states. The amendment failed on a 5-7 roll call vote. The bill was approved on an 8-4 roll call vote.

In other action, the panel heard four additional bills. S.F. 2458, carried by Sen. Dallas Sams (DFL-Staples), prohibits presenting false information for purposes of background checks and prohibits facilities offering services to vulnerable adults from hiring persons convicted of violent crimes. Sams said that currently there are no penalties in place for persons giving false information when applying for positions that provide services to vulnerable adults and that there are no penalties for facilities that hire persons who have been convicted of a violent crime.

Several members raised questions about the measure. Sen. Don Betzold (DFL-Fridley) questioned whether “intent” was covered by the language in the bill and whether or not there was a time limitation after a conviction in which the person would be allowed to work in a facility.

Sen. Gen Olson (R-Minnetrista) and Sen. Linda Berglin (DFL-Mpls.) also raised a question of whether the bill should apply to facilities that offer services to children.

The measure was amended to clarify that a person who intentionally presents false information is guilty of a crime and to clarify that the measure applies to facilities licensed by the commissioner of human services. In addition, the amendment clarifies that an entity that is required to perform a background check that employs an individual, after hearing from the commissioner that the person is disqualified by the background check, is guilty of a crime. The bill was approved and advanced to the floor.

S.F. 2445, authored by Sen. Jim Vickerman, makes it a misdemeanor for a person to be up on the roof of any public or nonpublic school building unless the person has permission to be on the roof. The bill was approved and recommended for placement on the Consent Calendar.

Two measures sponsored by Sen. Leo Foley (DFL-Coon Rapids) were laid over for further discussion. S.F. 2533 allows counties to charge a correctional fee for board, room clothing and medical and dental services. Members supported the measure, but said that language was needed to ensure some uniformity among counties and that family support needs are met before local correctional fees may be collected. S.F. 2638 criminalizes the use of “runners,” “cappers,” or “steerers.” Under the bill, runners, cappers and steerers are defined as persons who procure clients for

a health care provider who then overcharges insurance companies for unneeded medical services after an automobile accident. Peter Orput, deputy attorney general, said the practice occurs in immigrant communities where an elder or other trusted person is paid to “steer” individuals who have been involved in an auto accident to a particular medical practitioner. The bill was laid over in order to craft language to more narrowly define the intended offender.

Education

Three bills heard

The Education Committee, chaired by Sen. Sandra Pappas (DFL-St. Paul), met Mon., Feb. 11, to discuss a number of proposed bills. The first, S.F. 2737, was authored by the chair and requires schools to notify parents about the health risks of diesel school bus fumes and to take steps to reduce the risks. “The bill doesn’t require major change overnight,” Pappas said, “but it is a modest first step to educate school districts and parents.” Paula Macabee from the Sierra Club said her organization has made this issue a priority this year because diesel fumes are particularly toxic, especially for young children. Several student representatives from St. Paul’s Central and Highland Park High Schools said they had collected over 500 signatures in favor of the legislation. Brad Lundell from the Minnesota Association for Pupil Transportation said his organization wasn’t completely opposed to the bill, but had some concerns. He mentioned the significant costs involved with retrofitting older buses for cleaner emissions. “The school bus is the safest and most regulated vehicle on the road today,” Lundell said.

Sen. Kenric Scheevel (R-Preston) questioned the usefulness of simply notifying parents of the health risks and said he was uncomfortable with schools being used to lobby for the Sierra Club. Pappas said parents have a right to know about potential health risks to which their children may be exposed. Macabee gave several examples of how notification about the issue has mobilized parents. Sen. David Tomassoni (DFL-Chisholm) said that, while he agreed with the spirit of the bill, he questioned the need to make it into law. Bob Meeks from the Minnesota Association of School Boards said private and charter schools shouldn’t be ignored and that bill crafters have to be cautious

not to raise expectations these risks will disappear overnight. Pappas laid the bill over for further discussion.

Sen. Gen Olson (R-Minnetrista) carried two bills, S.F. 2167 and S.F. 2912, which would allow private school and charter school students to participate in nearby public school’s extracurricular activities. Peter Noll of the Minnesota Catholic Conference said the premise of the bill is to optimize opportunities for students regardless of the school they attend. He added it is an opportunity for public schools to bring in more customers to the programs they offer. Several private school students and parents testified they or their children were denied participation or charged exorbitant fees by local public schools. Parent Shawn Moynihan said “Why should children be denied on the basis that their parents made the choice to send them to private school?” An amendment was adopted that specifies that private students could only participate at public schools if their private school “[didn’t] provide a comparable extracurricular activity.”

Roger Aronson spoke in opposition to the bill on behalf of the Minnesota State High School League. He said extracurricular eligibility is predicated on enrollment and there is nothing that prohibits private schools from offering extracurricular activities. “If passed,” Aronson said, “It will equal a subsidy for private schools’ extracurricular activities. The bill is about economics.” Aronson said the participation fees students pay are a small portion of the actual costs to the schools and the bill unfairly causes public school students to lose spots on teams to private school students. Meeks said attendance at a private school is a choice and that we all have to live with the consequences of our choices. He also said there is no way for public schools to monitor the academic and disciplinary standards of the private students participating in solely extracurricular activities. The bills were laid over.

Sen. Mady Reiter (R-Shoreview) sponsored S.F. 2411, a bill that requires all public school students to recite the Pledge of Allegiance at least once a week. The bill allows a student or teacher who objects to the Pledge to be excused without penalty. “This bill is important because it reminds us we are all part of one nation,” Reiter said. Reiter was joined in support by veteran Bill Goede and Shoreview elementary school student

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Tyler Newcombe. “The pledge helps us remember those who served our country,” Newcombe said. In opposition was Barb Berg, who felt the mandatory Pledge requirement was divisive and cheapened the flag. Arafat Elbarki opposed the bill and said Muslims often express service to their country differently than other Americans. Elbarki said many Muslims believe you can be a good American citizen without saluting a flag. “If our children don’t say [the Pledge], they will be looked down upon as traitors,” Elbarki said. Veteran Damon Drake, also Muslim, expressed concern for the sensitivity toward, and the safety of, students who choose not to stand.

The measure was laid over.

Value-added testing discussed

A joint meeting of the Senate Education Committee, chaired by Sen. Sandra Pappas (DFL-St. Paul), and the House K-12 Education Finance Committee, chaired by Rep. Alice Seagren, convened Wed., Feb. 13, to hear testimony from Dr. William Sanders on value added testing. Sanders said he was a statistician by trade, not an educator, and came up with value added testing when he was searching for a new statistical way of looking at student achievement. The value added assessment model is based on two premises, he said. One, the educational community is not responsible for solving all of society’s problems, and two, education is responsible for taking each student at their stage of achievement and improving them from that point, he said. Sanders emphasized that the progress a child makes from the point he enters a class or school is most important to him. Therefore, he said, the value added assessment is not about attainment, but rather rates of progress.

Sanders listed three conditions for the scales of measurement that are used with value added assessment. He said the measurements must be highly correlated to curricular objectives, sufficiently broad to encompass high and low achieving students and maintain an appropriate reliability level. Students are followed individually, he said, and those scores are aggregated across the group of children that are being studied. In this system, according to Sanders, each child serves as his or her own control, thereby sweeping off the table the socioeconomic factors people are so concerned about. Since

every child is compared to an earlier version of his or herself, the value added assessment model partitions educational influences from other factors. Value added assessment holds teachers and administrators accountable for what they can control, he said. “Teachers have no control of students’ ability level before they come to class,” Sanders said, “But teachers do control the rate of progress of growth while [the students] are in class.”

Sanders described several patterns he has seen as a result of his 20 years of work with value added assessment. From his analysis of the data, Sanders determined that the single greatest factor determining student achievement is teacher effectiveness. Further, he said, the sequence of teachers has more to do with achievement growth in a child than any other factor. Sanders said that value added assessment should not be the sole means of testing the state uses, but should definitely be a component in the testing arsenal.

Policy bill debated

The Education Committee, chaired by Sen. Sandra Pappas (DFL-St. Paul), met Wed., Feb. 13, to discuss three bills. Sen. Deanna Wiener (DFL-Eagan) sponsored S.F. 2827, the Uniform Agent’s Act. Wiener said the bill protects college student-athletes with professional aspirations from unscrupulous characters by requiring agents to register with the state. Judge Jack Davies said it is hard to keep track of agents from state to state without some registration mechanism. “We aren’t breaking new ground here,” Davies said, “Just cleaning up a little.” University of Minnesota Director of Compliance Frank Kara said the school supports the bill. Kara estimated about 10 University of Minnesota student-athletes have legitimate professional potential, hence would be contacted by agents. The bill was approved and re-referred to the Commerce Committee.

Pappas carried S.F. 2736, the Department of Children, Families and Learning (CFL) K-12 educational policy bill. Portions of the bill were not discussed and referred to the E-12 budget division. CFL official Rose Hermodson explained several changes in definitions and regulations regarding Post-Secondary Enrollment Options (PSEO). The changes were discussed and adopted by the committee. Regarding a change that specifies that textbooks and materials provided to a

PSEO student are property of the post-secondary school rather than the school district, Sen. Anthony “Tony” Kinkel (DFL-Park Rapids) asked if “materials” included computers. Kinkel questioned if it was appropriate for colleges to gain computer equipment that comes from secondary schools’ budgets. After a period of discussion about a change in the math basic skills test where students will no longer be able to use a calculator, the committee decided to move up the implementation date for the change from 2008 to 2004.

After extensive discussion regarding a section of the bill that authorizes the commissioner of CFL to amend rules relating to the Profile of Learning, the section was laid over for further discussion. A section that deals with clarifying voluntary mediation rules was set aside as well.

A proposal that permits CFL to expand its current system of free and reduced-price lunch certification by matching student records with data from other state agencies was set aside due to concerns from some lawmakers. Another alteration was laid aside because several Senators, most notably Sen. Michele Bachmann (R-Stillwater), were concerned with the definition of “co-curricular” student activities. Hermodson explained an additional amendment that seeks to create a task force to address the complexity of the of the K-12 education funding and governance systems. Pappas said the issue could be discussed in the division, and laid the amendment aside. Pappas indicated that discussion on the entire bill would continue in the K-12 budget division.

Sen. Martha Robertson (R-Minnetonka) sponsored S.F. 2753, a bill that modifies consent requirements for Medical Assistance (MA) and MinnesotaCare for covered services provided in schools. An amendment that clarifies language and deletes all sections except one was adopted. The remaining proposal implements a fixed-billing process for special education services covered by MA. Robertson said a great deal of special education money is spent on health-related issues and there is a need for the state to do a better job of obtaining the significant amount of federal money available to help pay for special education. The bill simplifies the process for



Senators Michele Bachmann (R-Stillwater), left, and Warren Limmer (R-Maple Grove) confer on a bill being considered by the Education Committee during a hearing, Wed., Feb. 13.

Photo by David J. Oakes

districts to seek federal money, she said. An amendment to add some portions of the department's policy bill dealing with special education was adopted. The bill was approved and referred to the floor.

Environment and Natural Resources

Lands bill recommended to pass

The Environment and Natural Resources Committee approved the Dept. of Natural Resources (DNR) lands bill, a change to the aquatic plant management fee, and gross overlimit penalties for game and fish violations, when the members came together Tues., Feb. 12.

Sen. Don Samuelson (DFL-Brainerd) carried the DNR lands bill, which authorizes the sale and purchases of the department's lands. Michelle Beeman from

the DNR explained several alterations the measure makes to DNR land policies. One section of the bill creates a formula for figuring out the cost of stream easements by making the cost of the land equal to the market value of the lot acreage plus an additional \$5 per linear foot of stream. Beeman said the statutory formula is needed because appraisers have a wide range of ways of calculating how much value a stream adds to property. She said \$5 per foot of stream is about equal to the median of what the DNR has been paying for stream easements.

The second and third sections of the bill clarify the manner in which the state treats "substandard structures" versus "nonconforming uses" within the zoning area of the Lower St. Croix Scenic Riverway. Beeman said the distinctions, which were taken out of law last year, needed to be made in order to protect

several smaller buildings that a Lower St. Croix community is trying to preserve.

The measure also amends statutory boundaries of state parks to allow for acquisition or deletion of parcels that no longer fit with park management plans. The bill authorizes the inclusion of four adjacent lots of land into the Crow Wing State Park and the removal of small parcels of land from the Cuyuna County State Recreation Area and Big Stone Lake State Park.

The measure also enables the DNR to sell several small pieces of property no longer desired by the department. The selling of a 1.63 acre lot in Itasca County, authorized by the bill, solves a dilemma caused by an inadvertent encroachment by an adjoining land owner who built part of his cabin on state land, Beeman said. The sale of a surplus stip of land in Morrison County that was used as the access road

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into a public access on Stanchfield Lake is also permitted by the bill. DNR ownership of the land is no longer necessary because the DNR has obtained an improved road access nearby, said Beeman. The measure also authorizes the public selling of an old fish hatchery building in New London, which has not been used since the 1970s, and a parcel of wildlife management area (WMA) land, which is no longer suitable for hunting purposes due to development.

Sen. Bob Lessard (IND-Int'l. Falls) said that although the measure requires the DNR to replace the sold WMA with more WMA land, he was concerned that the new WMA would not be open to hunters. Sen. Pat Pariseau (R-Farmington) offered an amendment, which the committee adopted, that requires the DNR to use to money from the sale of the WMA to purchase other lands suitable for hunting.

Four other bills approving the sale of DNR property were amended into S.F. 2727. S.F. 2705, authored by Sen. Steve Dille (R-Dassel), permits the sale of a small parcel of tax fortified lands in Meeker County. Dille also presented S.F. 2511, authored by Sen. Kenric Scheevel (R-Preston), which authorizes the sale of DNR lands in Winona County.

Pariseau said the sale was due to an inadvertent encroachment by a private property owner onto the state lands. S.F. 2595, carried by Sen. Dan Stevens (R-Mora) okays the selling of about 3 acres of land in Sherburne County. Sen. Cal Larson (R-Fergus Falls) authored a measure, S.F. 2714, that approves the sale of a 50-foot lot in Douglas County.

A bill, S.F. 2435, to authorize DNR appropriations was also amended into S.F. 2727. Sen. Anthony "Tony" Kinkel (DFL-Park Rapids) presented the measure,

authored by Sen. Roger Moe (DFL-Erskine), which authorizes the addition of 240 acres to the Big Bog Recreation Area.

Samuelson offered S.F. 2438, which the committee amended into the larger DNR lands bill. The measure delineates the boundaries of a recreational trail between Baxter and Aitkin.

The committee also added a provision, regarding the closing of public lakes to anglers, to the bill before finally forwarding the measure to the floor. The amendment, offered by Sen. Charles Berg (R-Chokio), allows the DNR to restrict the taking of fish in any water where a private fish hatchery is operated. Berg said anglers had been depleting the fish brood stock of

an aquatic farm in Church Lake, Grant County.

The members turned their attention to two measures sponsored by Sen. Jane Krentz (DFL-May Township), committee chair. The first bill, S.F. 2676, removes the \$200 cap on the aquatic plant management fee. Krentz said aquatic plant management programs are essential to Minnesota's quality of water, the health of the state's lakes, and the well-being of the waterfowl and fish populations. She said currently only \$112,000 of the \$536,000 operational cost for aquatic plant management programs are provided from the sale of permits required to spray or uproot aquatic plants on residential lakeshore. She said the present \$20 per residence permit fee will not be effected by her bill.

"The fee cap," she said, "is a perverse incentive for people who destroy aquatic plants to recruit their neighbors to sign up, so that they can split the cost of a permit. Killing aquatic plants is a controversial activity, but I understand the desire to have a weed free place to swim. I'm only saying that those who spray should be those who pay."

S.F. 2627 also requires the DNR to study aquatic wildlife management. "I know that the easiest way to make a problem go away is to mandate a study," Krentz said, "but there are some real issues that need to be addressed." Lee Pfannmueller from the DNR said, "The principle challenge we have with aquatic plant management is not with the people who have permits, but with the many, the majority, who don't, but continue to spray weeds anyway. We need to know who isn't using the system and how we can pull them in."

Another provision in S.F. 2627 requires the DNR to inspect every aquatic plant management site before issuing a permit. Dille asked if the requirement was an unfunded mandate that might negate any additional revenue the department would get from removing the fee cap. "The provision only codifies what our existing practice is," said Pfannmueller. Dille offered an amendment to remove the required inspection from the bill and the committee adopted the changes. The bill was moved to the floor.

Krentz's second bill, S.F. 222, establishes gross overlimit penalties for game and fish violations. She said the measure is a scaled back version of a bill that did not pass last year. Under the bill, for crimes

with \$500 to \$5,000 restitution values, the applicable license can be seized and revoked for three years after conviction, and boats, motors and trailers can be confiscated. Crimes with over \$1,000 restitution values are gross misdemeanors, according to the measure. Krentz said the main differences between the current bill and last year's are that civil and criminal penalties now only apply to crimes incurring over \$1,000 restitution values and license revocation periods are shorter in the current bill. The committee sent the measure to the floor.

Deposit bill heard

The Environment and Natural Resources Committee got an overview of a potential extensive recycling incentive program and the concerns it raises, when the members met Wed., Feb. 13.

The Minnesota Beverage and Soap Container Recycling Act, authored by Committee Chair Jane Krentz (DFL-May Township), establishes a plastic bottle deposit initiative and refund program, administered by the Office of Environmental Assistance (OEA). A new subsection of the office, the financial and policy development division, is formed under the measure to develop and analyze the recycling project. The OEA is directed by the bill to certify recycling centers to process and distribute refunds for bottle deposits. The value of bottle deposits, according to the bill, are 5 cents for plastic containers under 24 ounces and 10 cents for plastic bottles over 24 ounces.

"This is a very long, complicated bill for a very short and hurried session," said Krentz. However, she said, "Recycling in Minnesota has hit a plateau. The rate has been at 48 percent for the past 3 years and I think we can and must do better." The bill was laid over for continued review.

Krentz also brought a second recycling bill, S.F. 2675, to the committee. The measure expands to all public entities the current requirement that state agencies, local units of government and school districts have containers for recyclable materials and have collected recyclables given to a processor. "This is an easy baby step toward our recycling goals," said Krentz. She said the bill encourages recycling at places such as the Xcel Energy Center, where she had recently attended an international sports event and was embarrassed when asked by international visitors where to put recyclables. The committee

approved the measure and moved it to the State and Local Government Operations Committee.

Environment and Agriculture Budget Division

Flood, wastewater bills considered

Sen. Leonard Price (DFL-Woodbury) chaired the Environment and Agriculture Budget Division, when the group met Thurs., Feb. 7, to hear 19 bills. In the mix were several bonding measures relating to flood mitigation, wastewater infrastructure fund (WIF) projects and trail development.

Six of the bills considered by the committee appropriate bonding proceeds to flood related projects. Sen. Myron Orfield (DFL-Mpls.) presented a bill that spends \$2.2 million on flood mitigation for Lake of the Isles. He said the lake has flooded every year since 1977. He also said Minneapolis's chain of lakes, of which Lake of the Isles is part, is second only to Como Park in the number of visitors it attracts each year. Vivian Mason, fourth district park commissioner, said that the project is already underway and should be completed this year.

The city of Granite Falls, which has experienced two record-high floods in the past 15 years, is granted \$6.9 million for flood mitigation under S.F. 2478, carried by Sen. Dean Johnson (DFL-Willmar). Granite Falls Mayor Dave Smiglewski said, "During the first flood, we said, 'This ain't so bad,' but after the second flood we are panicking and now we are saying, 'Let's get out of harm's way.'"

Sen. Deanna Wiener (DFL-Eagan) sponsored S.F. 2564, which appropriates \$1.5 million to the Lebanon Regional Park in Dakota County. She said that flooding of the park in 2000 caused more than \$1 million in damages. A total of \$320,000 is appropriated from the bond proceeds fund to the city of Parkers Prairie, under S.F. 2449, authored by Sen. Cal Larson (R-Fergus Falls), to prevent street flooding. Larson said the money covers the cost of replacing 11 blocks of storm water tile, leaking galvanized water services, out-of-date fire hydrants and fixing a long-standing sanitary sewer problem. Sen. Jim Vickerman (DFL-Tracy) also brought a bill before the committee that designates bonding funds for flood prevention. His bill, S.F. 324, authorizes \$500,000 to fund

flood mitigation projects in Area II of the Minnesota River Basin. Vickerman said all the money is matched by federal dollars on a 25 to 75 ratio. All of the flood related bonding requests were held over for potential inclusion in the division's bonding bill.

Many of the other bills considered by the division deal with wastewater infrastructure projects. S.F. 2447 designates \$40 million in WIF funding to be covered by bond proceeds. Vickerman, author of the bill, said that WIF did not get the \$30 million it needed last year and is now even further behind. Nancy Larson, executive director of the Coalition of Greater Minnesota Cities, said that even if the Legislature spends \$30 million each year for wastewater infrastructure projects, it will take a decade to supply all of the funding requested by cities for wastewater projects.

Sen. Chuck Fowler (DFL-Fairmont) brought forth S.F. 2309, which authorizes \$1.35 million for a wastewater collection and treatment plant in the city of Lewisville. He said the plant is desperately needed to treat sewage that is currently being dumped into the Minnesota River.

S.F. 2588, authored by Vickerman, appropriates \$2.5 million to the development of a centralized wastewater system on Lake Shetek. Murray County Commissioner William Sauer said that without state funding, the county will need to charge \$100 per month to lakeside residents for user fees in order to pay for the project. If the project gets funding, he said, the fee will only be \$40.

Sen. Douglas Johnson (DFL-Tower) presented another bill addressing wastewater needs along shorelines. His bill, S.F. 2466, appropriates \$11 million for the design, enhancement and construction of wastewater facilities near Lake Superior. The division set aside each of the wastewater bills for further discussion and possible inclusion in its bonding bill.

The division addressed a handful of bills granting bonding funds to parks and recreation areas, including two measures sponsored by Sen. Roger Moe (DFL-Erskine). Sen. LeRoy Stumpf (DFL-Thief River Falls) brought S.F. 2436, authored by Moe, before the committee. The bill authorizes \$1.6 million to the Big Bog Recreation Area for construction of a visitors' center. Moe's other park measure, S.F. 2538, provides over \$1 million to Crookston for the completion of the Red

River restoration and improvement project.

S.F. 2455, sponsored by Vickerman, provides \$4 million for the development of the Casey Jones Trail in Murray County. Sen. Satveer Chaudhary's (DFL-Fridley) bill, S.F. 2153, designates \$500,000 to Mounds View to build park shelter structures. The final parks bill heard by the division, S.F. 995 presented by Sen. Dan Stevens (R-Mora), grants the Central Minnesota Regional Parks and Trails Coordinating Board funding to purchase the Graves Farms property for conversion into a recreational area. The division laid over all the park bonding measures for further review.

Stevens also sponsored S.F. 2570, a bill that appropriates \$6.1 million to state purchases of wetland banking, credits, lands and services for the purpose of restoring or creating wetlands to replace those areas drained by the repair and maintenance of public roads. Stevens says the bill is necessary to fulfill the state's statutory obligation to replace wetlands lost due to road repair projects.

Vickerman sponsored a bill, S.F. 2444, that pays for part of a water system needed in Southwestern Minnesota. The \$610,000, Vickerman said, will be matched on a 1 to 8 ratio with federal and local money. He said although the project already received much funding, some of it could not be used because the land needed for the project is located in South Dakota.

S.F. 2451, carried by Larson, grants over \$1 million to Fergus Falls to upgrade pollution control equipment at the city's municipal solid waste combuster. S.F. 2437, presented by Sen. Don Samuelson (DFL-Brainerd), supplies Little Falls with funding needed for the environmental clean-up of an old Hennepin Paper plant. Sen. Dallas Sams (DFL-Staples) brought S.F. 2489 to the committee. The bill spends \$14 million to design, acquire, construct and equip an agricultural and food sciences school on land given by the Minnesota Agriculture Society. The bill, and all measures heard by the division, was held over for potential inclusion in the omnibus bonding bill.

Bonding proposal discussed

The Environment and Agriculture Budget Division, chaired by Sen. Leonard Price (DFL-Woodbury), met Fri., Feb. 8, to discuss and approve bonding recommendations. Sen. Steve Murphy (DFL-Red

Committee update



As part of MADD Minnesota's Youth in Action rally in the Capitol rotunda, Wed., Feb. 13, plastic cups are stacked in front of a podium to represent how many 12-ounce servings are contained in a keg of beer. MADD members support a bill that requires keg registration as a tool in the fight against underage drinking.

Photo by Shelley Hawes

Wing) sponsored two bills, S.F. 2879 and S.F. 2878, that pertained to funding for the Goodhue Pioneer Trail and the Great River Trail Head Project. The requests are for \$750,000 and \$460,000, respectively. Murphy also carried S.F. 2870, which appropriates \$9.9 million to build a year-round facility at Farmer's Market in downtown St. Paul. Farmer's Market representative Jack Gerton said the facility will serve as a one-of-a-kind model and give farmers the ability to develop unconventional products. An architect for the city of St. Paul, Margot Fehrenbacher, said the city is committed to the project, which will serve the residents of the entire state, and pointed out the funding request has been reduced from the original amount. Murphy also carried S.F. 2577, a \$5 million proposal to preserve farmland and natural areas in Dakota County. "If nothing is done," Murphy said, "There won't be any agricultural property left in Dakota County." Dakota County Commis-

sioner Nancy Schouweiler said the bill has the support of the farmers in the community.

Sen. Grace Schwab (R-Albert Lea) carried S.F. 2521 and S.F. 2523, two funding requests for the construction on the Blazing Star and Shooting Star Trails. Sen. Jane Krentz (DFL-May Township) authored S.F. 2477 to request for \$1.3 million to protect Brown's Creek in Stillwater. The funds are for the construction of a storm and sanitary sewer to divert sewage from the creek, Krentz said. Stillwater Mayor Jay Kimble said the solid bedrock around the creek makes construction difficult and expensive, and added the purpose of the construction wouldn't be to create more buildable lots in the area. Sen. Cal Larson (R-Fergus Falls) sponsored S.F. 2284, a request seeking \$6.6 million for the state's share of the construction costs of the Poe Lock in Saulte Ste. Marie. Dick Lambert from the Department of Transportation said while

the lock isn't in Minnesota, it is critical to the state because of the large amount of Minnesota taconite shipped through the channel. Lambert added Minnesota is the last state to commit its share of funds. Price pointed out that this was a request for money from the general fund, from which there are no funds to appropriate.

Sen. Dave Kleis (R-St. Cloud) carried S.F. 2836, an \$8.5 million request for parks and trails in the St. Cloud regional area. None of the projects included in the bill were recommended by the governor, Kleis said. Sen. Kenric Scheevel (R-Preston) authored S.F. 2527, a \$2.5 million request for the extension of the Blufflands Trail system near the Minnesota-Iowa border. Scheevel amended the request to \$542,000 to cover the initial engineering and acquisition costs of the project. The committee recessed until the afternoon.

The division reconvened in the afternoon, and began discussion regarding

the priority of the bonding bills they had heard. Bills were placed in three categories: High Priority, Priority and Not a Priority. Among the bills receiving the highest priority were S.F. 2583, \$38 million for flood hazard mitigation grants, S.F. 2396, \$15 million for metropolitan park rehabilitation and development, \$35 million for the Department of Natural Resources (DNR) state park initiative, \$25 million for the Reinvest in Minnesota (RIM) soil, groundwater and wildlife conservation efforts and \$40 million for S.F. 2684, a major water protection bill. The division agreed to pass on the prioritized list to the Capital Investment Committee.

MPCA funding report presented

The Minnesota Pollution Control Agency's funding structure took center stage at the Environment and Agriculture Budget Division hearing, chaired by Sen. Leonard Price (DFL-Woodbury) Wed., Feb. 13.

Joel Alter from the Office of the Legislative Auditor (OLA) outlined the major obstacles facing the Minnesota Pollution Control Agency's (MPCA) funding structure. The first, he said, is the disproportionate increase in MPCA staffing costs. The 33 percent rise in staffing expenses over the past 7 years are well above the 25 percent state government averages, he said.

However, the most significant funding structure challenges, Alter said, are the deficiencies in water quality, hazard waste and air quality fee funds. The water quality fees, which have not risen in a decade, cover less than 60 percent of staffing costs for permitting, compliance monitoring and enforcement, he said. The hazardous waste fund has experienced shortages since 1999, the OLA report found. Yet, contrary to law, the MPCA has not increased its fees, Alter said. Although the MPCA recommended eliminating the fees last year because of the cost burden of collecting them, he said, collection costs are only five percent of revenue.

The air quality fund, unlike the others, has not experienced severe shortfalls, according to the report, because the fees are linked to inflation. However, major inadequacies exist in air quality programming, because it ignores mobile pollutants such as motor vehicles, which are a primary cause of air pollution, Alter said.

The OLA found 15 funding possible resolutions to MPCA funding issues and recommends that the Legislature clarify laws that specify which MPCA activities should be funded by fees.

Anna Seha, assistant MPCA commissioner, said the agency finds the OLA report fair, accurate and thorough. Lisa Thornvig, MPCA assistant commissioner, said the governor's proposed 25 percent fee increase will shorten the funding gap, but not eliminate it completely. She said the MPCA should use its solid waste fund to cover other programs funding shortfalls. The fund, she said, currently has a surplus because of the success and subsequent scaling back of landfill clean-up initiatives.

Health and Family Security

Health emergency bill discussed

Members of the Health and Family Security Committee, chaired by Sen. Dallas Sams (DFL-Staples) met Mon., Feb. 11, to hear a bill establishing a new process for declaring a public health emergency.

S.F. 2669, authored by Sen. John Hottinger (DFL-Mankato), is called the Minnesota Emergency Health Powers Act. The bill clarifies the process and outlines the criteria for declaring a public health emergency and provides an enumeration of the powers and duties of the commissioner of public health in a declared emergency. According to Jan Malcolm, commissioner of the Minnesota Department of Health, the bill adds needed clarity to the process and adds to the framework of what already exists. Although the impetus for the bill came with the post-Sept. 11 anthrax mailings, she said the need for the bill is not new.

"We've been for some time in need of a conversation in the state with respect to emergency management," she said. "We need a modern framework for managing a public health emergency."

According to Hottinger, the bill deals with six areas. He said it establishes a clear line of authority, sets clear boundaries for what that authority is, establishes how that authority is exercised, decides what tools are need to act, respects the separation of powers and appreciates the balance of what is essential in an emergency with the rights of the individual. Among other things, the bill defines various terms related to public health emergencies, authorizes the governor to declare an

emergency if certain conditions occur, permits the commissioner of health to close or evacuate any facility if the facility poses a danger to public health and establishes procedures for the safe disposal of bodies. The bill also establishes control of health care supplies and facilities during an emergency, authorizes the governor to order restrictions on public assembly in an emergency, requires individuals to submit to various medical examinations and vaccinations if necessary, describes requirements needed for isolation or quarantine and establishes reporting requirements.

Several Senators had concerns with the bill. Sen. Leo Foley (DFL-Coon Rapids) said the bill has some serious problems with the constitutional rights of citizens. He said certain clauses authorizing the government to direct people to do certain things were questionable.

"I think we do need legislation to deal with these problems," he said. "But what I see here is not something I'd recommend passing."

Sen. Pat Pariseau (R-Farmington) had similar issues. "The whole concept of this has me more shaky than comfortable," she said.

Responding, Hottinger said it was good to be skeptical of certain sections in the bill and welcomed suggestions to shape it in order to make it more comfortable.

On a different thought, Sen. Sheila Kiscaden (R-Rochester) said the bill addressed only one level of risk and response. She said there are different levels of risk and the bill was drafted for only the highest level of alert with only the broadest level of authority.

Ken Peterson, deputy attorney general, also said there were problems with the bill. He said his office had questions regarding the definition of a qualifying health condition that would trigger an emergency. The language should be drafted more specifically, he said, to include only agents introduced by terrorists and not such things as the 'flu. He said the bill doesn't include a clear line of authority and has several redundancies. Also, he said his office had concerns with language that allows private medical records to be checked and tests and examinations to be ordered even in non-emergency situations.

Sen. Becky Lourey (DFL-Kerrick) offered an amendment to more specifically define "qualifying health condition," protect health care providers from action

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against them during an emergency and require—instead of allow—health care providers to be given preference in a medical supply rationing situation.

Kiscaden asked why it should be required that health care providers be given preference when rationing medical supplies. They might not be at the highest risk in every situation, she said, and the amendment eliminates the ability to judge each situation. Lourey said that in a health emergency or bio-terrorist situation health care workers would be on the front lines and would need to be given first preference if rationing was introduced.

Hottinger said the amended definition for “qualifying health condition” was too tight. Kiscaden moved to split the amendment. The section providing health care providers with protection was adopted, as was the language requiring health care workers be given first preference. The amended definition was withdrawn.

The bill was then approved—with the agreement that the concerns shared would be addressed—and re-referred to the Judiciary Committee.

Sen. Don Samuelson (DFL-Brainerd) carried S.F. 2486, which states that if any major spending commitment related to a radiation therapy facility would result in the construction of a new radiation therapy facility within ten miles of an existing facility, it is subject to prospective review and approval by the commissioner of health. According to the bill, under prospective review, the commissioner determines whether the spending commitment is appropriate by looking at the impact on the cost, access and quality of health care, as well as the clinical effectiveness and cost effectiveness of the spending commitment and the alternatives available to the provider.

Samuelson said he is concerned with the effects of building a single purpose radiation oncology center in close proximity to an existing facility has on the duplication of services, cost of services and the existing services.

“We have a responsibility to make sure competition doesn’t damage the existing health care providers,” he said.

Dr. Mark Wilkowske, from Park Nicollet Clinic, testified in support of the bill. He said he has never seen a situation where access to cancer care was a problem. He also said he had significant concerns regarding the duplication of services and the increase in costs that specialty centers

can bring. Regarding the effects on existing services, he said that St. Joseph’s Hospital in St. Paul experienced a 65 percent drop in radiation referrals when the Maplewood Cancer Center was recently built.

Dr. Tom Flynn, from USA Oncology, testified in opposition to the bill. Flynn said a radiation oncology center is a superior model and better alternative than the hospital based cancer system. He also said the bill is excessive in drawing the line at ten miles between facilities.

“I don’t think that one can arbitrarily say that a ten-mile radius is the right distance,” he said.

Dr. Cheryl Baily, who refers patients to the Maplewood center, also testified in opposition to the bill. She said a radiation oncology center provides a better atmosphere for cancer patients to receive treatment than a hospital. Michelle Juen, a registered nurse who has worked at a hospital and now works at the Maplewood center, also said a radiation oncology center provides a better atmosphere and offers patients all the services they need in one location.

“We provide a wonderful atmosphere for all of our patients,” she said. “It’s just a very nice way of doing business.”

Sen. Dan Stevens (R-Mora) offered an amendment to provide for a prospective review if the major spending commitment results in the construction of a new radiation therapy facility within five miles of an existing facility in Hennepin or Ramsey County or within ten miles of an existing facility in any other county. Stevens said that while he doesn’t want to legislate away competition, he understands the concerns Samuelson has. However, Samuelson opposed the amendment, saying it was not consistent throughout the state. The amendment was not adopted. The bill was approved and re-referred to the Judiciary Committee.

Provider contracting discussed

Members of the Health and Family Security Committee, chaired by Sen. Dallas Sams (DFL-Staples), met Wed., Feb 13, to hear a bill that establishes and modifies requirements for contracts between health plan companies and health care providers.

The bill, S.F. 2532, authored by Sen. Don Samuelson (DFL-Brainerd), makes major changes in the relationship of health care companies and health care providers.

Called the Minnesota Fair Healthplan Contracting Act, the bill requires a health plan company to give to the provider a complete copy of the proposed contract before signing the contract—including all guidelines and treatment parameters—and requires the health care company to give the provider 90 days notice before amending the contract. The bill prohibits contracts from containing unilateral terms regarding termination, indemnification or arbitration, prohibits a health plan company to terminate a contract with a provider without good cause and requires a health plan company to give the provider a written explanation of any proposed recoupment. The bill also requires provider consent to participate in a new or different health plan, product or other arrangement, creates an exemption for participating in health plans that provide services to state health care programs and requires health plan companies to inform a provider within 30 days if a claim is not clean. Finally, the bill requires health plan companies who use data for utilization profiling to make the information available to the provider at least 90 days prior to its release, gives the subject of the data an opportunity to provide a written response and calls for the disclosure of payment rates to the public. According to Samuelson, the bill, “protects consumers and the providers.”

Dr. Kimberly Harms, with the Minnesota Dental Association, testified in support of the bill. She said one major problem dentists have with their health care company is that many times they don’t know the specific terms of their contract. Many times, she said, a contract is even changed without the dentist knowing or giving their signature. She said Minnesota is losing dentists faster than any state in the country as a result of such bad policies within the current system.

“Dentists need to know that they’re protected from unfair practices,” she said. “Without such protections, I’m afraid we’ll develop a shortage of dentists.”

David Allen, president of Minnesota Specialty Physicians, also testified in support of the bill. He said the contracts designed by health plan companies are specific regarding the obligations of the physician to abide by what the health plan directs, but are vague regarding the health plan’s intentions. He also said that many of the contracting methods used by the large health plans are unfair to physicians. As an

example, he said that one local plan's contract reserves the right to withhold up to 25 percent of reimbursement while also retaining the authority to determine whether any of the reimbursement will be returned. Allen also said that contracts often give health plans the right to dictate nearly any aspect of clinical operation. As an example, he said that one local health plan's contract states that the physician must follow the health plan's "...administrative manual, medical policy manual, training manuals or other manuals." Allen said the bill helps physicians understand what they are agreeing to when signing contracts.

Jeff Bartsh, with HealthPartners, testified against the bill. He said the bill limits the ability of health care companies to negotiate with providers and limits the ability of health care companies to provide services to its members. Contracts, he said, are not negotiated with a "take it or leave it" attitude, but with the intent of providing the highest quality service at the most affordable price. Bartsh also said he didn't think it was in the best interest of the state to become involved in a matter between the health providers and the health plans, and that to require full disclosure of rates and costs would be an administrative burden.

Blue Cross Blue Shield of Minnesota representative Phil Stalboeger also testified against the bill. He said the bill dismantles a provider contracting structure that was based upon provider demand, increases costs to consumers and represents governmental oversight and interference in a private commercial matter. He also said Blue Cross announced last summer it would work with providers to "rewrite" their contracts in order to deal with some provider concerns. Michael Scandrett, with the Minnesota Council of Health Plans, also said the bill interferes with the ability of health care companies to keep costs down. He said a section requiring health care companies to report within 30 days if a claim is not clean violates federal law, which requires companies not to tell providers if fraud is being investigated. However, he did say he understood some of the rationale behind the concerns addressed in the bill.

Sams moved to approve the bill and re-refer it to the Commerce Committee. However, Sen. Sheila Kiscaden (R-Rochester) moved instead to lay the bill over for further discussion. She said the

bill needed more work, and that she was uncomfortable sending it out of committee without letting the two parties involved work out more of a compromise. Sams said laying over the bill might stop the bill from being heard again, since there are many other bills left to hear and not much time to hear them. Kiscaden's motion failed. Sen. Twyla Ring (DFL-North Branch) moved to re-refer the bill to the Commerce Committee without recommending it to pass, also saying the bill needed some more work. Ring's motion was adopted and the bill was re-referred to the Commerce Committee.

Kiscaden carried S.F. 2811, which establishes a donated dental services program. The bill requires the development of a donated dental service program to provide dental care to public program recipients and the uninsured through dentists who volunteer their services without compensation. Under the bill, the program must establish a network of volunteer dentists, establish a system to refer eligible individuals to the appropriate dentist and develop and implement a public awareness program to educate eligible individuals about the program. The bill also appropriates \$77,150 in the 2002-03 biennium and \$79,000 in the 2004-05 biennium. The bill was approved and re-referred to the Finance Committee.

Sen. Linda Berglin (DFL-Mpls.) carried S.F. 2550, which modifies consent requirements for billing Medical Assistance (MA) and MinnesotaCare for covered services in schools. The bill was approved and sent to the Senate floor.

Income and Sales Tax Budget Division

'Bread tax' solutions sought

The Income and Sales Tax Budget Division pursued a resolution to the so-called "bread tax," when the division gathered Tues., Feb. 12. Seven bills were offered that create an exemption for bakery items and change the sales tax definition of prepared foods. Because the bills were all extremely similar, differing only in their effective dates, Division Chair Don Betzold (DFL-Fridley) said, the division should have only a single discussion addressing all bills.

Betzold said the division members were already aware that the Streamlined Sales Tax Act, adopted last year as an

effort to create uniform tax definitions among states in order to facilitate the collection of sales tax on Internet purchases, had created a tax on bakery items that had not been previously taxed. The same items, he said, are not taxed when sold in grocery and convenience stores because of the new definition of prepared foods.

Lynn Sherman, president of the Minnesota Bakers' Association, said, "People who shop at my bakery pay 6.5 percent more for their goods, than if they bought them at the SuperAmerica next door, which sells my same bakery items, because then they don't have to pay the tax."

All of the bills before the panel create an exemption for bakery items to undo last year's reforms. Sen. Jane Ranum's (DFL-Mpls) bill, S.F. 2866, also exempts dried fruit. Although dried fruit is not taxed, Ranum said, when grocery stores add sugar to the fruit it falls under the definition of prepared food and becomes taxable.

Sen. Chuck Fowler (DFL-Fairmont) brought forth a more extensive bill relating to the streamlined sales tax. His measure reverses all of the changes enacted last year under the Streamlined Sales Tax Act. "The bill eliminates the tax discrimination based on who sells a product," Fowler said. He said items should be taxed for what they are, not on who is selling them. According to present law, items that are made by the seller by mixing more than two ingredients are considered prepared food and taxed under the same category as meals in restaurants. Therefore, bakery items, which are made on the premises, are taxed, but are not subject to tax when sold by a grocery or convenience store where they are not made.

Betzold asked Fowler if the same changes could be made by extending the effective date of the current Streamlined Sales Tax Act. Fowler said they could and that might be a simpler solution.

Jenny Engh, assistant commissioner of the Dept. of Revenue, said that department agreed that some parts of the Streamlined Sales Tax Act had unintended consequences. However, she said, the department strongly advised remaining a part of the streamlined sales tax project. She said that the overall goal of the project is very important and might result in a great increase in state revenues from Internet sales. "Believe me," she said, "streamlining is going to bring up some hard issues." She

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said states are trying to define items, such as computer software and digital information technologies, which had never been defined in statute.

"The taxing of bakery items has never been completely logical," said Engh. She said items sold individually used to be taxed, but if a person bought a dozen donuts and put them all in the same bag, they were not taxed. The only definition, she said, centered around whether the items were to be consumed on the premises or taken home to be eaten.

All of the bills relating to the streamlined sales tax were laid over for further discussion.

The panel also considered creating an income tax credit for persons who donate land for conservation purposes. The credit is equal to half of the fair market value of the property or half of the tax assessed value. Cheryl Appeldorn from the Nature Conservancy of Minnesota said the option to have the credit be based on the tax assessed value of the property allowed donors to forgo the expense of hiring an appraiser in exchange for the usually lower estimate of a tax assessor. The Department of Revenue estimates that the revenue loss in FY 03 would be \$2.8 million and in FY 04 and FY 05 would be \$3.5 million.

"Tax incentives do make a difference to people considering donating land," said Appeldorn. She said that North Carolina, which offers a tax break to land donors, sees a jump in donations every time they raise the credit. She also said the benefactors of the tax credit will not be only wealthy people with plenty of land to spare. She said 87 percent of the prospective donors she was aware of were of "very modest means." The tax credit she said enables middle and lower income people to give the state land needed to protect habitat and preserve wilderness. The conservation credit bill, S.F. 2876 authored by Sen. Keith Langseth (DFL-Glyndon), was set aside for later consideration.

The final bill brought before the division exempts local units of governments from paying sales taxes. The measure would result in \$103.85 million of lost tax revenue, according to Department of Revenue calculations. Sen. Mady Reiter (R-Shoreview), author of the measure, said, "Right now every construction material, piece of paper and staple used by our cities is taxed and that tax is passed on to our constituents." She said that she had

promised that she would find a way to fill the hole left by the lost revenue. "I've found a way to fill the gap," she said. "It's the \$1.2 billion in the tobacco settlement fund." Betzold said the tobacco fund had limits and if everyone spent it for their pet projects there would be little left for its intended purpose. He said the measure might have had a chance during last session's tax reforms, but was too expensive to consider during the present belt-tightening session. The committee laid over the measure, S.F. 2452, for further thought.

Proposals heard

Members of the Income and Sales Tax Budget Division, chaired by Sen. Don Betzold (DFL-Fridley), heard five proposals to change state tax laws. All of the bills heard were laid over for later action.

Sen. Yvonne Prettner Solon (DFL-Duluth) carried S.F. 2808, a bill exempting the city of Duluth from using the Department of Revenue to collect sales taxes until Dec. 31, 2005. A representative of Duluth said the city has been administering the sales tax since the tax's inception 30 years ago. He said transferring those functions to the Department of Revenue will cost the city money and create a delay in receiving the city portion of sales tax proceeds. He also said that it is clear the streamlined sales tax program, which requires all states to consolidate their sales tax administration into one department, is not progressing as quickly as originally planned.

S.F. 2837, authored by Sen. Ann Rest (DFL-New Hope), establishes an income tax credit based on the federal child credit. Rest said the credit is an expensive item, costing the state upwards of \$50 million per fiscal year, but is necessary to reflect the state's commitment to concentrate on the needs of families to provide for children. The amount of the credit, under the bill, is \$60 per child and includes phased increases to \$100 by 2010. The bill also provides for a phase-out of the credit according to the same income thresholds established under the federal credit.

In an attempt to leverage funds for affordable housing, Sen. Ellen Anderson (DFL-St. Paul) carried S.F. 2958. The bill establishes an income tax credit for contributions to qualified affordable housing. The credit, under the bill, is equal to half the contribution certified by

the Housing Finance Agency. Thus, a \$1,000 contribution to affordable housing—made either in cash or in kind—generates a \$500 tax credit. The bill requires a minimum contribution of \$1,000 to be eligible, but does allow communities to aggregate their contributions. Jim Scheibel, Project for Pride in Living, said the tax credit will create a public-private partnership that will serve as the catalyst to drive increased contributions. Stephan Scidel, Twin Cities Habitat for Humanity, said the production of housing is not just good for the occupants of the housing, but benefits the whole state through higher income tax receipts, sales taxes collected on building materials and an increase in the property tax base. The bill, he said, is not just compassionate, but fiscally smart.

Sen. Chuck Fowler (DFL-Fairmont) carried a bill creating a check-off on both the income and property tax returns. The check-off, which must be at least \$1, will contribute to memorial funds for peace officers, firefighters and ambulance personnel, under the bill. Representatives of all memorial funds and organizations for all three professions testified in favor of the bill and discussed efforts their groups undertake to aid the survivors of persons killed in the line of duty. Assistant Commissioner of Revenue Jenny Engh said that current paper forms present a limitation on how many lines and items can be available on tax forms. If several additional check-offs are added, she said, the department may have to increase form length by one page or more. However, she said, as tax filing becomes increasingly electronic, additional items are less costly. A fully electronic system, Engh said, might mean the sky is the limit on items. John Haugen, Dept. of Revenue, said other states that have added check-offs have seen the receipts of previously available check-off accounts drop when accounts are added. He added that Minnesota's experience has been that non-game wildlife check-off receipts have steadily declined.

A bill allowing all quarterly or annual sales tax filers for sales taxes to submit a paper return was also heard. Sen. Dean Johnson (DFL-Willmar) said the bill, S.F. 2544, is necessary because many filers in Greater Minnesota lack Internet access. The other option for electronic filing, via an automated phone system, can result in waits of an hour or more to file, he said.

Engh said the department has moved to electronic filing to save costs and time. She said filers do have a third option—talking with a department representative on the telephone to file. The bill requires the department to create forms and print a form for every filer, regardless of business size, she said. Such action will mean increased administrative costs for the department, Engh said.

Jobs, Housing and Community Development

Restrictions on nurses' overtime approved

Fri., Feb. 8, after a lengthy discussion on mandatory nurses' overtime and patients' safety, the Jobs, Housing and Community Development Committee endorsed a bill that prohibits disciplinary action to be taken against a nurse who refuses to work a second consecutive shift if doing so would cause impaired judgment and jeopardize patient safety.

Sen. Ellen Anderson (DFL-St. Paul), author of the measure and committee chair, said nurses are doubly bound by their licenses; regulations require nurses to commit to a code of ethics that demand them not to do anything in impaired judgement, but they also can lose their licenses for abandoning patients, even at the end of a shift. "Mandatory overtime is unfair to Minnesota's patients," said Anderson. "We want patients to know they are receiving the best possible care. We don't want to know that the nurse tending to our loved ones has been working 20 hours and is at the end of a second mandatory shift."

Anderson also said that the bill, by improving the working conditions of nurses, will help bring more people into the health care industry. "We've heard a lot about nursing shortages, but forcing nurses to work extra hours only drives nurses out of the profession," she said.

Several nurses testified about the inability to care for patients properly during long hours with inadequate rest. "Imagine inserting IVs, calculating dosages, sorting out EKG cords, and the many other tasks that require care and concentration for 16 hours on 4 hours of sleep. This bill," said Keri DeMeyer, a nurse from Duluth, "will save lives."

David Feinwachs, representing the Minnesota Hospital and Health Care

Partnership, said that the bill was unnecessary because nurses' unions already prohibit mandatory overtime in their contracts. Anderson said that less than a third of contracts prohibit mandatory overtime.

Feinwachs also said that as the bill was drafted, it is a crime to keep nurses for extra shifts in the event of a school bus overturning when a hospital was flooded by children needing medical attention. "The bill has a safety valve for hospitals," Anderson said. The bill contains a provision that allows hospitals to force nurses to stay an extra shift if replacement staff are not available due to an unusual circumstance or emergency, she said.

Anderson also said that the bill does not let nurses off the hook to attend social events or care for their children. In these situations, they are still required to work mandatory overtime, she said, because the bill only prohibits nurses from working overtime if they cannot safely do so.

Sen. David Johnson (DFL-Bloomington) offered an amendment, which the committee adopted, that allows nurses to sue for civil damages if forced to work mandatory overtime, if in their judgement, it jeopardizes patient safety. The bill was then approved and forwarded to the floor for final passage.

The committee continued a discussion of S.F. 2514, which requires the Dept. of Labor and Industry to formulate ergonomics standards for workplaces in order to prevent musculoskeletal disorders (MSDs), such as carpal tunnel syndrome. Sen. Julie Sabo (DFL-Mpls.) offered an amendment that changes the due date for the department's recommendations from Jan. 30, 2003 to June 30, 2004. She said more time was needed for the department to do satisfactory research and analysis on the issue.

Committee members heard testimony from business lobbyists on the measure. Chamber of Commerce representative Tom Hesse said the organization's members were against an ergonomics standard because they believe that a national uniform standard should be set by the Occupational Safety and Health Administration. He also said that scientists were not unanimously in agreement about the causes of musculoskeletal disorders and there exist many non-workplace related causes for MSDs. Hesse said that it would be difficult to determine whether MSDs were the result of workplace injuries.

Sabo said that, due to workers' compensation laws, the state already has mechanisms in place for determining if an injury is work related. She said that the federal government is not likely to pass ergonomics standards any time soon. The committee okayed the bill and advanced it to the floor.

Minimum wage boost okayed

The state's lowest paid workers will receive a \$1 per hour raise if the minimum wage bill approved by the Jobs, Housing and Community Development Committee Wed., Feb. 13, becomes law.

The bill, sponsored by Committee Chair Sen. Ellen Anderson (DFL-St. Paul), increases the minimum wage incrementally from \$5.15 per hour for large employers to \$6.15 by July 2002 and \$7.00 by January 2003. For small employers, the wage goes to \$5.90 an hour by July 2003 and \$6.75 per hour by January 2003. Unlike previous minimum wage bills, the measure ties the lowest hourly earnings to the consumer price index (CPI) so the rate will keep pace with inflation, Anderson said.

"Minimum wage in Minnesota," she said, "is at a 40-year low in terms of buying power." If the minimum wage had been indexed to inflation at its inception, she said, the current rate would be close to \$8 per hour. "If we increase the wage to \$7, a family of four with two wage earners will still be under the federal poverty level," she said. At the current minimum wage, she said, the same two wage earners would have to work two full time jobs each just to meet their most basic needs.

Kris Jacobs, representing the Minnesota Jobs Now Coalition, said the two greatest fears people have about raising the minimum wage are increasing inflation and losing jobs. However, she said, during the last increase neither of the two things happened.

Sen. Martha Robertson (R-Minnetonka) asked if the lack of negative effects was because of economic growth and if there were greater risks raising the wage during the current recession. Jacobs said that the minimum wage raise in the early 90s coincided with a recession, but did not cause joblessness or inflation.

"Economists agree that the best way to come out of a recession," said Anderson, "is to stimulate consumer demand. Minimum wage workers spend every penny they earn and put it back into the economy."

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Anderson also said 63,000 workers, or about 2.3 percent of the state's workforce, now earn minimum wage. She said the lowest wage workers are not teenagers from a middle class background, but adult women, who make up 75 percent of minimum wage earners.

Tom Hesse, lobbyist for the Chamber of Commerce, said the organization opposed the rate increase. "The market is working and has been increasing wages across the board," he said. Low wage jobs are important stepping stones to higher paying positions, he said.

Sen. Roy Terwilliger (R-Edina) offered an amendment that requires large employers to pay tipped employees \$5.15 an hour and small employers to pay \$4.90 an hour if the employee makes up the difference between that rate and the minimum wage in earnings from tips. "A tipped employee will always make at least the minimum wage," said Terwilliger. The amendment specifies that if a tipped employee does not make more than minimum wage, the employer must pay the difference. The amendment failed on a 5-7 vote.

The committee voted 7-5 in approval of the bill and forwarded the measure to the full Senate.

Members okayed a second bill, authored by Sen. James Metzen (DFL-South St. Paul), that requires the prevailing wage to be paid to all construction employees building electric energy plants or other energy facilities that have received special tax treatment. "Not a single energy company has come to me and said, 'This is a horrible idea,'" Metzen said. The tax incentives save companies millions of dollars, he said, and the additional cost of a prevailing wage is tiny compared to the savings.

Hesse said that the Chamber of Commerce opposed the bill. He said the measure is unnecessary because in all but one of the recent energy construction projects, prevailing wages were paid. He also said the Minnesota Supreme Court ruled in the mid-1990s that for a project to fall under the prevailing wage law, a project must be specifically designated by law and that the cost incentive to the company must be paid up-front before construction begins. Sen. Myron Orfield (DFL-Mpls.) said that, under the bill, the state would specify certain projects by giving them tax credits and the credits are an up-front benefit to the company. The

bill received the committee's endorsement and moved to the floor.

Judiciary

Information disclosure discussed

Members of the Judiciary Subcommittee on Data Practices, chaired by Sen. Don Betzold (DFL-Fridley), met Thurs., Feb. 7, to discuss a bill regarding motor vehicle registration data.

The bill, S.F. 2448, carried by Betzold, amends current law by requiring the Department of Public Safety to disclose personal information made available through the state's motor vehicle records when the use of the information is related to the operation of a motor vehicle or public safety. The bill is identical in language to current law that allows such information to be released when made available through the state's drivers license records.

Mark Anfinson, from the Minnesota Newspapers Association, testified in support of the bill. He said that current law restricting access to motor vehicle records blocks the media from having access to important information. Jeffrey Kummer, from the St. Paul Pioneer Press, said the information acquired through motor vehicle records would enable the media to investigate stories more thoroughly. As an example, he pointed to a story the newspaper published several years ago regarding a man who received 21 drunk driving convictions in 18 years. The man had different cars for every offense, so the editors wanted to know where he was buying the cars, but because of the restrictions on motor vehicle data, he said, the information was never retrieved.

A memo was circulated from Brian Lamb, director of the driver and vehicle services division of the department, that stated the department neither actively supported or opposed the bill. However, it also contained his opinion that the bill "continues to draw the line between permissible use of personal data and the intent of the Federal Data Privacy Protection Act." Several Senators also had concerns with the bill. Sen. Warren Limmer (R-Maple Grove) said the language of the bill seemed vague and broad, and as a result, information could be obtained by anyone and used for purposes other than what is intended. Sen. Myron Orfield (DFL-Mpls.) said there

were no statements in the bill regarding qualifications needed to obtain information and agreed the language was too broad. Responding, Betzold said the Department of Public Safety currently has the authority to release drivers license information and would have authority over motor vehicle information as well. Kummer said the Pioneer Press signs a request form from the department every year in order to obtain drivers license information, and will not receive it if they are not approved.

Sen. Myron Orfield (DFL-Mpls.) offered to amend the bill by stating the department "may" disclose the information instead of "shall" disclose it. The amendment was approved. The bill was also approved—with the agreement that the language be made more specific—and referred to the Judiciary Committee.

Sen. Charles Wiger (DFL-North St. Paul) offered a bill that enacts the National Crime Prevention and Privacy Compact, which was originally approved by the federal government in 1998. The bill, S.F. 1030, has already been ratified by 14 states and is intended to facilitate the exchange of criminal history records for noncriminal justice purposes between the states and the federal government. The bill must be passed by all 50 states for ratification. According to Wiger, the bill allows the states to effectively exchange information—such as fingerprints—in a prompt and timely fashion. It was approved and referred to the Judiciary Committee.

Sen. Sheila Kiscaden (R-Rochester) carried a bill regarding foster care disclosure of communicable diseases. The bill, S.F. 2614, requires public and private entities that place a child or adult with a known communicable disease with a licensed foster care provider to disclose to the license holder the individual's disease. It also requires the entities to determine if the provider has the knowledge and skills necessary to provide care to the individual.

Department of Human Services representative Ann Ahlstrom said the bill provides "needed clarity." She also said the bill provides for the safety of the child and of the caretaker. The bill was approved and sent to the Judiciary Committee.

Betzold also carried S.F. 2758, which makes technical changes to tax data classification and disclosure provisions. The bill was also approved and referred to the Judiciary Committee.

Assisted reproduction bill heard

A bill outlining a judicial framework for collaborative reproduction agreements sparked considerable debate at the Tues., Feb. 12, Judiciary Committee hearing. S.F. 2526, authored by Sen. Linda Higgins (DFL-Mpls.), establishes the enforceability of collaborative reproduction agreements, requires judicial pre-approval prior to any conception, requires a biological link to at least one intended parent and requires informed consent of all parties involved in a collaborative reproduction agreement.

Higgins said the bill began as part of the Uniform Parentage Act that was heard, but not acted upon, last session. A task force was formed to explore the issue and to assemble a bill addressing assisted reproduction agreements, she said. "One out of six couples in Minnesota is infertile. There are about 50 surrogate pregnancies

per year in the state, but there are no laws regarding the practice," Higgins said.

Amy Hill—of Resolve of Minnesota, Inc.—spoke in support of the measure and said the bill is designed to allow all parties to examine potential outcomes. Greta Gauthier also spoke in support of the bill and said the measure codifies current practices, streamlines the process and provides protection to all parties involved in collaborative reproduction agreements.

Steven Snyder, co-chair of the Uniform Parentage Task Force, said the bill is aimed at supporting infertile couples in building families. "Currently, it is an uncertain legal situation, but the bill would insure appropriate education and the best outcome for children," Snyder said.

Committee members, chaired by Sen. John Marty (DFL-Roseville), raised several

questions about specific sections of the measure. Sen. Warren Limmer (R-Maple Grove) said that a section providing for mental and physical evaluations was not clear enough in detailing the standards used. Sen. Jane Ranum (DFL-Mpls.) asked if there were guidelines for establishing "reasonable compensation" as specified in the bill. Members laid the bill over in order to have time to draft amendments to address the various questions raised.

The panel did advance four additional bills. S.F. 2542, authored by Sen. Linda Scheid (DFL-Brooklyn Park), modifies a number of provisions relating to business corporations and limited liability companies. The measure provides legal recognition of electronic records and signatures, regulates meetings held by means of remote communications, regulates the use of names by successor



Students gathered in the Capitol rotunda Wed., Feb. 13, to voice their concerns regarding higher education funding.

Photo by David J. Oakes

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corporations and regulates investment company authority to issue shares. Members adopted an amendment making parallel changes in the laws relating to nonprofit corporations. The bill was approved and sent to the Senate floor.

Two bills sponsored by Sen. Sheila Kiscaden (R-Rochester) were also approved. S.F. 2614 requires the disclosure of an individual's communicable disease to a foster care provider. The bill was sent to the Senate floor. S.F. 2622 provides for the establishment of a volunteer health care provider program and specifies that health care providers who volunteer services are state employees for purposes of tort claims. The bill was re-referred to the State and Local Government Operations Committee.

The committee also approved a bill, S.F. 368, authored by Sen. Michelle Fischbach (R-Paynesville), that extends immunity from liability for owners of land used for recreational trail use to owners of adjoining land. The measure was sent to the full Senate.

State and Local Government Operations

Minnesota Planning discussed

The State and Local Governments Operations Committee, chaired by Sen. Jim Vickerman (DFL-Tracy), met briefly Thurs., Feb. 7, to discuss two bills and hear a presentation from Minnesota Planning. Sen. Douglas Johnson (DFL-Tower) sponsored S.F. 2464, a bill that reinstates Cook County Hospital's operating ability that was inadvertently removed by previous legislation. The bill also raises the hospital's levy authority by tying the district's taxing authority to the Consumer Price Index. The motion to recommend the proposal to the Tax Committee was adopted.

Dean Barkley, director of Minnesota Planning, presented a report that described the effects of the statutory transfer of the Municipal Board into Minnesota Planning. Barkley said that of 691 municipal boundary adjustments between June 1, 1999 and June 30, 2001, only 22 were contested, and of those, 12 were settled before a formal hearing. Only four contested hearings were held during that period, he said. Statistically, there was no change in the number of contested hearings after the Municipal Board sunset,

he said, and mediation was a widely accepted method of resolving contested disputes. However, administrative costs have skyrocketed for participants in contested hearings because of the switch from a hearing panel to the use of administrative law judges (ALJ), he added. Barkley said the Legislature needs to establish a clear policy regarding the relationship between cities and townships. Townships dislike the ALJ system more than the cities because they are required to pay the higher administrative costs in addition to the expense of preparing their case, he said. The added costs, in some cases, discourages townships and property owners from pursuing a hearing, Barkley said. Vickerman asked if the Legislature should stick with the program. Barkley replied there was no harm in continuing the program for another two years to assess its performance further. Kent Sulem, from the Minnesota Association of Townships, said townships would like to see policy issues addressed in addition to a summary of agency activity.

Vickerman carried S.F. 1471, a bill that conforms the statutes to reflect the transfer of authority from the Municipal Board to the Office of Strategic and Long-Range Planning. Sen. LeRoy Stumpf (DFL-Thief River Falls) offered an amendment to exempt the planning office from any requirement to adopt boundary adjustment rules until after May 2004. The amendment was adopted. Barkley said the exemption amendment allowed the agency flexibility during the transition, otherwise they would have to go through the formal rule-making process to make any changes. Vickerman's motion to have S.F. 1471 placed on the Consent Calendar was adopted.

Various bills debated

Sen. Jim Vickerman (DFL-Tracy), chair of the State and Local Government Operations Committee, convened a meeting Tues., Feb. 12, to discuss several bills. Sen. Deanna Wiener (DFL-Eagan) said she knew of no opposition to S.F. 2578, a bill that allows counties to implement a client-directed support program that authorizes responsible parties of county clients to expend public funds for the benefit of the clients' human services and public health needs without complying with certain procedural requirements. Client-directed support programs, Wiener said, generally relate to

respite care for a family member to take care of a disabled family member in a home setting. Dakota County official Karen Conrad said clients report greater satisfaction and flexibility with the client-directed option. A motion to approve the proposal and refer it to the floor was approved.

Sen. Cal Larson (R-Fergus Falls) carried S.F. 2589, a bill that establishes the Lakes Area Economic Development Authority in the Alexandria area. An amendment comprised primarily of stylistic and technical changes was adopted. Larson said Alexandria has experienced a population expansion and needs to do some long-range planning and shoreline development. Jason Murray, executive director for the Alexandria Area Economic Development Commission said the bill is the next step to help manage the growth of the lakes area. A motion to approve the bill and refer it to the Tax Committee was adopted.

Sen. Ann Rest (DFL-New Hope) sponsored S.F. 2568, which removes a five-year limitation applicable only to Hennepin County regarding parking ramp construction. Rest said the bill allows Hennepin County more flexibility in parking ramp lease negotiations and the ability to improve and build more ramps. Hennepin County official Gerald Weiszhaar said the immediate purpose of the bill is to allow the county to address the medical center ramp in downtown Minneapolis, which was built in the 1980s. He said the ramp has an extensive waiting list and must be enlarged, and possibly other ramps may need to be built. The bill was approved and referred to the floor.

Sen. Jane Ranum (DFL-Mpls.) authored S.F. 2838, a bill that adds language to the Open Meeting Law allowing government bodies to close meetings while discussing security issues. An amendment was adopted that clarifies the danger to public safety under which meetings can be closed. Mark Afinson from the Minnesota Newspaper Association said the bill was too broad because it could allow meetings to be closed for reasons that have nothing to do with terrorist threats. Sen. Myron Orfield (DFL-Mpls.) said he supported the concept of securing public safety, but wanted to ensure the language in the bill was constitutional and the "danger to public

safety” threshold was operable. Sen. Dan Stevens (R-Mora) inquired if speaking about financial matters in a closed meeting would automatically be a violation of the Open Meeting Law. After a period of discussion on Stevens’ question, Vickerman suggested that the bill be laid over until later in the meeting after involved parties could discuss the issue further.

Sen. Warren Limmer (R-Maple Grove) sponsored S.F. 2680, which eliminates language in the building code that requires mechanical ventilation systems in residential buildings. An amendment was adopted that clarified the language of the original bill. Limmer said the intent of the bill isn’t to change the building code, but to switch the authority from the statutes to the proper rulemaking authority charged with enforcing the codes. Vickerman offered an additional amendment that defines membership on a construction codes advisory panel. His amendment was amended to specify that a homeowner who is part of a residential advocacy organization be part of the advisory panel. A motion to approve the bill and refer it to the floor was adopted.

Sen. John Hottinger (DFL-Mankato) sponsored S.F. 2572, a bill that allows the Region Nine Development Commission to incorporate. The purpose of the proposed legislation, Hottinger said, is to reduce the commission’s reliance on taxes and increase the impact of private and foundation funding to sustain needed rural development programs. The bill was approved and sent to the floor. Sen. Linda Higgins (DFL-Mpls.) sponsored S.F. 2670, which would allow the city of Minneapolis to enter into a joint venture asphalt plant with a private company. City Attorney John Higgins said the city would experience asphalt costs savings of up to 50 percent. City Councilmember Sandra Colvin Roy said the city supports the bill because the city needs a stable, inexpensive supply of asphalt. Sen. Becky Lourey (DFL-Kerrick) sponsored S.F. 2590, a bill that changes the position of Carlton County recorder from elected to appointed. Lourey amended the bill to include the Pine County recorder as well. A motion to approve and refer the bill to the floor was adopted. Sen. Sandra Pappas (DFL-St. Paul) said S.F. 2551 extends the city of St. Paul’s bonding authority for another five years. St. Paul official Peter Ames said the city has a “Triple A” bond

rating. The bill was approved and re-referred to the Tax Committee.

The committee revisited S.F. 2838, and adopted an amendment that further clarified when a danger to public safety justifies closing a meeting. Stevens offered an amendment that allows members in a closed meeting to receive financial reports without violating the Open Meetings Law. The amendment was adopted. The bill was approved and re-referred to the Judiciary Committee.

State Government, Economic Development and the Judiciary Budget Division

Bonding priorities set

Members of the State Government, Economic Development and the Judiciary Budget Division met Sat., Feb. 9, to consider the division’s priorities for their portion of the capital investment bill. The panel, chaired by Sen. Richard Cohen (DFL-St. Paul), determined that the highest priority items were \$19.5 million for publicly owned transitional housing loans and \$20 million for senior assisted housing grants. Other high priority items were \$35 million for the new Guthrie Theatre, \$10 million for transitional housing, \$20 million for the Livable Communities Act and redevelopment, \$30 million for the Minneapolis Planetarium, \$7 million for the new Roy Wilkins Auditorium, \$9 million for a Dakota County housing enhancement program, \$1 million for the Bloomington Center for the Arts, \$3.175 million for Spirit Mountain in Duluth, \$12 million for the Children’s Theater Company, \$225,000 for the revitalization of the city of Tracy, \$5 million for Neighborhood House in St. Paul, \$22.5 million for expansion of the St. Cloud Civic Center and \$84.589 million for new state buildings.

Senators also developed a list of medium-high priority items. The medium-high priority items were \$75 million for Greater Minnesota development, \$17 million for statewide asset preservation and repair, \$4.6 million for the Capitol Area Architectural and Planning Board, \$2.5 million for the Dept. of Military Affairs for asset preservation and kitchen repair, \$847,000 for the Dept. of Military Affairs for compliance with the Americans

with Disabilities Act, and \$6 million for the Colin Powell Youth Center.

The panel also set medium and low priority items. The list of projects to be funded by bond proceeds was forwarded to the Capital Investment Committee for inclusion with other items in the development of the Senate’s bonding proposal.

Digital TV grant approved

The State Government, Economic Development and Judiciary Budget Division, chaired by Sen. Richard Cohen (DFL-St. Paul), met briefly Mon., Feb. 11. The only agenda item was S.F. 107, authored by Sen. Keith Langseth (DFL-Glyndon), a \$7.8 million appropriation from the general fund for grants to non-commercial television stations to assist with the conversion to a digital broadcast signal. The grants were approved by the Legislature last year, but in a Jan. 15 memo from Gov. Jesse Ventura’s Chief of Staff, Steven Bosacker, to Department of Administration Commissioner David Fisher, the governor canceled the appropriation. The legislation will restore the funding, Langseth said. An amendment that updated language and mandated stations to broadcast five hours of public service programming per week was approved. After very brief discussion, the motion to refer the amended bill to the full Finance Committee was adopted.

Taxes

Omnibus budget bill discussed

Members of the Tax Committee, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.), met Thurs., Feb. 7, to discuss the omnibus budget balancing bill, S.F. 2898, which cuts a total of approximately \$1.953 billion from the budget over the 2002-03 biennium.

Discussion on the bill, authored by Sen. Douglas Johnson (DFL-Tower), was brief, and mostly limited to three amendments that were offered. The first amendment, offered by Johnson, put the language of the bill into H.F. 351. The amendment was adopted. Another amendment, offered by Sen. Don Betzold (DFL-Fridley), eliminates the Wisconsin reciprocity tax agreement. Current law states that whenever the Wisconsin tax on Minnesota residents exceeds that of the Minnesota tax on Wisconsin residents—and vice versa—the state with the net revenue gain must pay

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the other state the amount of the gain. The amendment also establishes an early retirement incentive program in the Minnesota Department of Revenue. The proposal gives employees of the department incentive to retire at the age of 55 by providing those who retire early with continued health insurance coverage. The amendment also eliminates current law giving the State Auditor's Office oversight of local governments' use of tax increment financing (TIF).

Sen. Kenric Scheevel (R-Preston) voiced concerns with the early retirement clause. He asked if the incentive would cause too many people to retire at once and cause the department to lose "institutional knowledge." Department of Revenue Commissioner Matt Smith said he had concerns as well, since many people in the department would qualify for the retirement program. However, he said he recognized why the incentive was being established.

Bill Connors, from the State Auditor's Office, asked why oversight of local governments' use of tax increment financing was eliminated. He said enforcement from the auditor's office has led to approximately \$3.2 million being returned to local governments in Minnesota due to various violations. However, the amendment was adopted.

Sen. LeRoy Stumpf (DFL-Thief-River Falls) offered an amendment that makes additional cuts to the Department of Children, Families and Learning and restores funding for the Perpich Center for the Arts. The amendment was adopted and the bill was approved and sent to the Senate floor.

Telecommunications, Energy and Utilities

Iron Range power plant discussed

Members of the Telecommunications, Energy and Utilities Committee, chaired by Sen. James Metzen (DFL-South St. Paul), met Thurs., Feb. 7, to discuss S.F. 2672. The bill contains a proposal by proponents of a project to build coal fired baseload generating plants on Minnesota's Iron Range.

The bill, carried by Sen. David Tomassoni (DFL-Chisholm), is also called the Minnesota Economic, Environmental and Energy Security Act of 2002, and includes three sections. First, the bill has a

series of legislative findings. Among the findings are that Minnesota has a near-term need for 1,000 megawatts of new electric baseload capacity and a developing need for 1,000 watts more, there is a need for new plants in Minnesota, new plants will stimulate economic development and there is a need to reduce reliance on older plants. Second, the bill directs the Public Utilities Commission (PUC) to amend the selection criteria for the bidding process to take into account the state's policy goals, permit qualified energy projects that use fossil fuel technology and provide economic development in a state tax relief area to submit bids that will be evaluated with other bids received in the bidding process and approve a power of purchase agreement with the successful project. The commission is also directed that any agreement with an energy project must provide for 1,000 megawatts of baseload generation with the potential for 1,000 more megawatts to be added. Third, the bill requires that the first 100 megawatts of a qualified energy project be exempt from further findings of need, proposals for projects be processed with the highest priority and eligibility rules for the alternative site process be amended to include facilities that are fueled by synthetic gas.

"This legislation will give Minnesota a much needed shot in the arm," said Tomassoni.

Julie Bjorgensen, of Excelsior Energy, said the bill encourages energy projects to be built. She said the bill allows more projects to be considered, increasing the chance that something will get built. Also, she said more energy projects must be built because, while total transmission system usage has increased in Minnesota over the years, there has not been an increase in the capacity of the transmissions system. As a result, she said, power curtailments in the region—which occur when there is a risk of a power outage—have gone up considerably. Bjorgensen also reported that the bill creates jobs, provides a secure electric energy future, benefits consumers, is good for the environment and diversifies the state's energy portfolio.

Stan Daniels, from United Steelworkers, testified in support of the bill because it creates jobs in Northern Minnesota. He said in the mid-1980s there were 15,000 employed in mining but now that number is down to approximately 4,600. An energy project, he said, will help the Northern communities to survive.

"Nothing's happening on the Range. Give us something we can stay there for," he said. "We think this project is good. We need a project like this to keep our workers up there."

Several people testified in opposition to the bill. Minnesota Department of Commerce Commissioner Jim Bernstein said he was concerned that the bill simply bypasses the current system. He said that the bill favors Excelsior Energy and puts the state's "energy eggs" all in one basket. Bernstein also said that the concept of the big plant is a relic of the past and that many states are now building smaller projects.

David Morris, vice-president for the Minneapolis-based Institute for Local Self-Reliance and consultant to the energy departments of several presidents, echoed Bernstein's sentiments. He said building a 1,000 megawatt plant that has the capacity for 1,000 more megawatts would constitute the largest single electric plant in Minnesota and require an entirely new transmission infrastructure from Northern Minnesota to Southern Minnesota. He also said that the bill, as written, favors Excelsior.

"It is written so as to allow for only one technology and one company to qualify," he said. "It is inconceivable to me that any other company could qualify."

Paula Maccabee, from the Sierra Club, said that contrary to previous testimony, Minnesota was not in an energy crisis. She said she was also concerned that the bill throws away the entire process of application and allows a project to bypass the certificate of need process, designed to protect consumers from unneeded power plants; environmental review, designed to gauge the environmental impact of a project; and the competitive bidding process, designed to award the bid to the best proposal. The current system, she said, should be kept.

"What we're saying is the process we have is working," she said. "We believe the process is not broken." The bill was laid over for further testimony.

Sen. Jim Vickerman (DFL-Tracy) carried S.F. 2421, a bill that promotes the use of biodiesel as a fuel for generating electricity. Vickerman offered an amendment to the bill—which was adopted—that dealt with concerns members had from the previous meeting. As amended, the bill defines biodiesel fuel—which is derived from plant oils and animal fats—and

defines a qualified biodiesel generation facility as an electric power generation facility that uses a fuel blend of 85 percent biodiesel fuel. The bill also provides monetary incentives to owners of qualified biodiesel generating facilities.

Sen. Edward Oliver (R-Deephaven) asked why utilities would buy biodiesel fuel since it is so much more expensive than regular fuel. Responding, Sen. Steve Kelley (DFL-Hopkins) said that the current state of affairs may not last forever. He said today's reasonable rates for petroleum may go up and the biodiesel rates may go down. The bill provides incentives to produce an alternative fuel, especially if current rates change, he said. The bill was approved and re-referred to the Finance Committee.

Iron Range power plant bill heard

Members of the Telecommunications, Energy and Utilities Committee, chaired by Sen. James Metzen (DFL-So. St. Paul), met Tues., Feb. 12, to continue discussing S.F. 2672, a bill containing a proposal to build coal fired base-load generating plants on Minnesota's Iron Range.

The bill, carried by Sen. David Tomassoni (DFL-Chisholm), includes three sections. First, the bill has a series of legislative findings. Among the findings are that Minnesota has a near-term need for 1,000 megawatts of new electric baseload capacity and a developing need for 1,000 watts more, there is a need for new plants in Minnesota, new plants will stimulate economic development and there is a need to reduce reliance on older plants. Second, the bill amends the selection criteria for the competitive bidding process to include the state's policy goals, the project's contribution in reducing mercury emissions, the use of new electric generation that utilizes an innovative technology to reduce negative environmental impacts, the opportunities for job creation, the project's contribution to reducing long-term reliance on natural gas for base-load power generation and the project's utilization of technology that is available for federal energy tax credits. The bill also directs that any agreement with an energy project must provide for 1,000 megawatts of base-load generation with the potential for 1,000 more megawatts to be added. Third, the bill requires that proposals for projects be processed with the highest priority.

Tomassoni offered an amendment that, among other things, changes the bill to allow sponsors of a proposal currently in the competitive bidding process to change their proposal to take the amended criteria of the bill into account, clarify and make more specific the changes in the bidding process criteria, allow the Public Utilities Commission to balance the criteria of a proposal in any manner that will best serve the public interest and direct the commission to approve, modify or disapprove the power purchase agreement within 90 days of submission. Tomassoni said he hoped the amendment dealt with many of the concerns that were expressed at the previous meeting.

"We're trying to change this bill to the point that people feel more comfortable with it," he said.

Several members, however, said they still had problems with the bill. Sen. Steve Kelley (DFL-Hopkins) said the bill still calls for a generation facility of 1,000 megawatts, and asked why it was necessary to build such a large facility instead of starting small and working up to 1,000 megawatts. Sen. Ellen Anderson (DFL-St. Paul) said the bill still throws out the current regulatory process and throws out legislation from 2001 that calls for distributed energy. She also questioned the Legislature's involvement in a regulatory process rather than utilizing current regulatory agencies.

Tomassoni said he is convinced that a large generation facility is necessary to meet Minnesota's energy needs. He said if a plant similar to the one the bill is calling for is not built, consumers will pay more for energy in the ensuing years due to a lack of energy and that it will be too late if the Legislature waits several years to act.

"We're going to be sorry that we didn't do something this year," he said. "I think that one baseload plant is not that much for this state to be considering right now."

Many individuals testified regarding the bill. Dick Anfang, from the Minnesota State Building and Construction Trades Council, said that Minnesota needs additional power and small plants shouldn't be the only answer to this need. He said the bill calls for the use of the latest and best technology, respects the environment and provides numerous jobs.

"Our members are running out of work. In fact, our Iron Range workers are running out of work right now," he said. "It's a good project, it's clean and it's necessary."

Bill Grant, of the Izaak Walton League, also said there were many positive things about the bill, applauding its commitment to renewable energy and to job creation. However, he noted some issues with the bill as well, saying it was difficult to see the need for a plant of 1,000 megawatts and that he was concerned with the changes to the competitive bidding process. Burl Haar, from the Public Utilities Commission, said there is a need for more baseload power, but added that he was also concerned with changing the normal administrative process, especially since the changes seemed to favor one company. Karen Studders, with the Minnesota Pollution Control Agency, said she also did not favor doing away with the current bidding process and questioned using a fairly new electricity generation technology in such a large manner. She was pleased that the technology proposed is cleaner than a strictly coal powered plant, but that it wasn't as clean as natural gas. Finally, she also said the waste issue needed to be better addressed, especially since the proposed project is close to the Boundary Waters and other parks.

Tomassoni said the current competitive bidding process does not work and that very few plants had actually been built so far. The bill was laid over for continued discussion.

Transportation and Public Safety Budget Division

Transportation bonding discussion

Chair Dean Johnson (DFL-Willmar) convened the Transportation and Public Safety Budget Division Thurs., Feb. 7, to discuss numerous transportation bonding proposals. Sen. Jim Vickerman (DFL-Tracy) sponsored S.F. 2526, a bill that provides \$200,000 for the restoration of Fort Belmont, the only civilian fort in Minnesota. The money for the Jackson County tourist site is to build a log museum that would serve as the entryway to the fort, he said. Jackson County representatives were on hand to support the bill. Sen. Dennis Frederickson (R-New Ulm) carried S.F. 2668, a request for \$12 million for the Rail Service Improvement project. Frederickson said the funds are to rehabilitate and upgrade local rail lines and guarantee loans to regional carriers. Minnesota Department of Transportation official Al Vogel said that the request was

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Christine Cummings, right, a member of the Leech Lake Band of Ojibwe, displays handcrafted birch bark items in the great hall of the Capitol Mon., Feb. 11, as part of an informational display on behalf of the Midwest Alliance of Sovereign Tribes.

Photo by Shelley Hawes

not included in the governor's recommendations, but there are \$17 million worth of pending local rail improvement projects in the state. Frederickson also sponsored S.F. 2515, a \$140 million request to fix county highways in 23 counties across the state. Mike Wagner, a Nicollet County engineer, was on hand to testify to the rapid deterioration of the county roads in his area. Wagner said the funding has been inadequate.

Sen. Satveer Chaudhary (DFL-Fridley) sponsored S.F. 2399, a \$150,000 bonding request to restore a railroad depot and caboose at the New Brighton History Center. Chaudhary said the bonding request is appropriate because the depot

was recently sold to the county for \$1 from a private seller. Sen. Mee Moua (DFL-St. Paul) carried S.F. 2848, an \$8 million request for the Phalen Corridor Initiative. Moua said the project will create jobs and revitalize the neighborhood. Curt Milburn, initiative executive director, said the money is to purchase the right-of-way for Phalen Boulevard so the road can be completed. Sen. Julie Sabo (DFL-Mpls.) sponsored S.F. 2783, a \$10 million request for the Central Corridor Transitway, a proposed light rail or busway link between the downtowns of Minneapolis and St. Paul. The money is for preliminary environmental and engineering planning. Several city representatives spoke in favor

of the proposal, but Sen. Claire Robling (R-Prior Lake) questioned why an exclusive busway was necessary when the current system of buses seems to be popular. Natalio Diaz of Metro Transit said a busway would increase transit use because it will provide a higher level of service at higher speeds and fewer stops.

Chaudhary also carried S.F. 2653, a \$10 million proposal for preliminary engineering on the Minnesota section of a proposed high speed rail link between St. Paul and Chicago. The Midwest Regional Rail system would allow travelers to reach Chicago in 3 hours. Sen. Sandra Pappas (DFL-St. Paul) carried S.F. 2784, a \$3.5 million proposal to purchase the lobby of

the Union Depot in downtown St. Paul. Pappas said the depot is envisioned as an Eastern Metro transit center, including serving as the terminus for the high speed rail link to Chicago. Sen. Deanna Wiener (DFL-Eagan) sponsored S.F. 2576, a bill that seeks \$20 million for a busway from the Mall of America down Cedar Avenue to serve the residents of Dakota County. Chaudhary returned to carry S.F. 2698, a \$8 million proposal for bus improvements and park-and-ride lot construction for the Rush Line Corridor, which runs from Hinckley to St. Paul along Interstate 35 and Highway 61. Sen. William Belanger (R-Bloomington) sponsored S.F. 2495 which is an \$18.6 million bonding request for road improvements along Highway 13 to improve access to 5 private ports in Savage, Winona and Glencoe. The ports are major inland grain hubs, Belanger said. Sen. Debbie Johnson (R-Ham Lake) carried S.F. 1255, a \$75 million request for improvements along Trunk Highway 65 between Cambridge and Interstate 694. A lane will be added in each direction and a dangerous intersection fixed, she said. Debbie Johnson also sponsored S.F. 2529, a \$300,000 request to build a park-and-ride lot in Bethel. Sen. Steve Kelley (DFL-Hopkins) sponsored S.F. 2470, a proposal seeking \$491,000 to build a pedestrian bridge over Highway 7 in St. Louis Park.

Dean Johnson distributed a worksheet that proposed the prioritized recommendations of the division to the Capital Investment Committee. The sheet listed a recommended total of \$121 million, of which \$19 million is dedicated to non-transportation requests, primarily the Historical Society for asset preservation and the Amateur Sports Commission to upgrade the Sports Center. The major transportation projects to receive funding are \$40 million for local bridge repair, \$6 million for rail service improvement, and \$4 million for port development assistance. The proposal also recommends the full \$10 million funding for the Snelling Bus Garage, and \$10 million "placeholder" funding for two major transit requests, the Northstar Rail Corridor and the Northwest Busway. Chaudhary moved to add \$150,000 to the list of non-transportation recommendations for the New Brighton History Center because he said the recommendations were completed before the site was officially eligible for bonding. The motion was accepted.

Robling said she would rather see \$10 million for county highway bonding, which was not on the list of recommendations, than for the Northwest Busway. The division accepted a motion to add a \$10 million recommendation for county highway bonding without decreasing funding for the busway.

The division accepted the motion to advance the amended list of recommendations to the Capital Investment Committee.

Funding bill debated

The Transportation and Public Safety Budget Division, chaired by Sen. Dean Johnson (DFL-Willmar), met Wed., Feb. 13, to hear testimony regarding Johnson's major transportation funding bill, S.F. 2888. Johnson said the bill contains a constitutional amendment that allows the issuance of general obligation bonds for trunk highway purposes and dedicates 75 percent of the proceeds from the motor vehicle sales tax in 2004 and 100 percent in 2005 to a motor vehicle sales tax fund. The proceeds of the fund would be distributed 32 percent to the highway user fund, 24.75 percent to the trunk highway fund, 23.75 percent for transit operating assistance and 19.5 percent for transit operating and capital assistance, according to Johnson.

The bill raises the gas tax 2 cents to 22 cents per gallon in 2003, Johnson said, and up to 23.5 cents per gallon in 2004. The bill also appropriates \$100 million per year in general obligation bonds, of which \$62.5 million is for transit capital costs, and the other \$37.5 million for local bridges, right of way acquisition and other allowable highway expenses, he said. In addition, \$150 million per year in trunk highway bonds are included in the bill, he said.

Johnson indicated the funding details in the bill were influenced by a proposal created by the Minnesota Transportation Coalition, an alliance of numerous transportation companies and associations, construction companies, labor groups, and chambers of commerce throughout the state. Carolyn Jones from the Minnesota Chamber of Commerce spoke on behalf of the coalition and said the organization wholeheartedly supports the bill. Jones said the bill addresses the need for long-term solutions and emphasized the positive impact the bill will have on the car-dependent Minnesota tourism industry.

Among the other coalition members who testified in support of the bill was Tom Anzels from the Laborer's Union. He said he supported the bill because it is the first time laborers, chambers of commerce, and transit leaders have been on the same page, so it was an unique opportunity to achieve transportation goals. J. Parker from the Taylor Corporation said he was behind the bill because it increases the vitality of the market by facilitating faster transit, and increases the vitality of communities due to the companies and jobs that stay in the state. Jim Erkel from the Minnesota Center for Environmental Advocacy said the bill makes economic and environmental sense.

Department of Transportation Commissioner Elwyn Tinklenberg said that even though the governor doesn't endorse the bill, the proposed details match the governor's transportation goals because they include long-term, statewide and multi-modal characteristics. As a result of the bill, Minnesotans will get a better, more direct return on their transportation spending because the funding will remain in state, and lose less buying power because projects won't be delayed or deferred, he said. "People say you can't build your way out of congestion," he said, "But this bill will make a difference on congestion." However, Tinklenberg said, the bill had to be considered in the context of the current budget constraints, and the significant proposed debt service and quickly escalating construction costs were cause for concern as well.

Analyst Amy Vennewitz briefly explained several transportation finance options that the committee could consider related to the proposed bill. Vennewitz said every one cent increase in the gas tax will raise approximately \$32 million per year for highway uses. She also described the impact of gas tax indexing, where the tax is dependent on the Consumer Price Index. At the current level of inflation, indexing would result in a .3 cent gas tax increase, or an additional \$9.6 million in revenue, she said. Regarding trunk highway bonding, Vennewitz said a \$100 bond authorization would require debt service payments of \$8 million for the first year, \$12 million in year two, and \$10 million for the years beyond. Increasing or removing the current cap on the motor vehicle registration tax could increase revenue from \$40 million up to \$97 million per year.

Committee update

Floor action

Budget balancing bill debated

Members of the Senate debated the omnibus budget balancing bill during the floor session Mon., Feb. 11. The bill, H.F. 351, carried by Sen. Douglas Johnson (DFL-Tower), reduces funding to various programs within the state's general fund, cancels balances in general fund accounts and transfers balances from other funds to the general fund to deal with the nearly \$2 billion budget shortfall.

The bill calls for permanent spending reductions of \$200 million in the various state agencies. The cuts include \$75 million to the budgets in the areas of health, human services and corrections, \$50 million to the higher education budget, \$25 million to the state government operations budget, \$15 million to the E-12 education budget, \$15 million to the Department of Revenue, and \$10 million each to the areas of transportation and public safety and environment. Additionally, the bill eliminates the current budget reserve of \$329 million, the cash flow account of \$350 million, the tax relief account of \$158 million and the local government aid reform account of \$14 million, and transfers to the general fund \$95 million from the assigned risk plan and \$282 million from the workers compensations special fund. The bill also saves \$15 million by canceling the remaining St. Paul busway funds, \$119 million by delaying the sales tax acceleration buyback, \$13 million through a one time state government change, \$129 million by repealing tax increment grants and \$30 million by repealing the income tax reciprocity agreement with Wisconsin. Paying \$8 million for debt service for the bonding bill and \$18 million for the dislocated worker fund transfer brings the total eliminated by the bill to \$1.953 billion. Johnson said the bill doesn't please everyone but helps fix the current budget deficit. He also said the bill deals only with the 2002-03 biennium and the 2004-05 biennium will be addressed later.

"We think it's not a perfect bill, but it's step one," he said.

Sen. LeRoy Stumpf (DFL-Thief River Falls) offered an amendment that adds an early retirement incentive program to employees in the department of Children, Families and Learning. The amendment was adopted. Also, Sen. Dan Stevens (R-Mora) offered an amendment that deletes

a section in the bill that allows the appropriation from the snowmobile trails and enforcement account in the natural resource fund for grants to local law enforcement agencies for snowmobile enforcement activities to be used for the enforcement of snowmobile laws. The amendment was also adopted.

Sen. Dick Day (R-Owatonna) offered an amendment to the bill that essentially consisted of a completely different plan to reduce the deficit. In order to cut the same amount of money as Johnson's bill, the amendment instead transfers \$500 million from the tobacco use prevention and local public health endowment fund to the state's general fund and orders a hiring freeze for all state positions. Day said the hiring freeze saves the state the remaining needed money and is the most painless way to solve the current budget deficit. He also said his plan includes no tax cuts and leaves all existing programs in place.

"We're approaching how to solve the budget deficit the wrong way. We're trying to lay a lot of hurt on seniors, kids and people with disabilities because I feel we're afraid to cut the number of bureaucrats," he said. "I hope you will see that there is a better way."

According to Day, too many people are being employed by state government. He said between the years 1960 and 1996 the population of the state increased by 35 percent, but the number of state employees increased by 280 percent.

"Why is it that state government keeps growing and growing and growing? This is our way to get a handle on that," he said.

Day also said the state employs approximately 53,000 individuals and last year alone replaced 5,000 jobs. His plan doesn't call for reducing expenses by firing anyone, he said, but simply by not hiring for a job when it opens.

"People should be bold and put in a hiring freeze. You can do it the way where nobody gets hurt," he said. "I can tell you that this is basically what people want us to do."

Sen. Steve Kelley (DFL-Hopkins) asked why the bill included language allowing lay-offs in all state departments if the hiring freeze didn't meet expectations. He said if Day was certain his plan worked, that clause would not be included. Kelley asked who would be fired, and at what cost to Minnesota.

"How many state patrol get laid off? What happens at the U of M?" he said. "If

you were so confident (in the plan) I don't think you would put that language in there."

Sen. Deanna Wiener (DFL-Eagan) said she also had problems with the amendment. She said it was false to state that Day's plan wouldn't cause any pain and that it would especially hurt schools within the Minnesota State Colleges and University (MNSCU) system if they can't hire replacements when professors retire.

"I think this will be more problematic," he said, "particularly on the higher education side."

Defending Day's amendment, Sen. Dave Kleis (R-St. Cloud) said the first thing a business does in an economic downturn is stop hiring people. Sen. Kenric Scheevel (R-Preston) said, for example, one less individual in a state office or on a construction site wouldn't be that difficult for the state to handle.

"To simply not fill to the full complement is not terribly burdensome," he said. "I think it's very doable."

Sen. Roger Moe (DFL-Erskine) said the statistics offered by Day regarding state employees need to be taken in perspective. For example, he said in 1960 technical schools and community colleges were part of the local school districts and not part of the state system. According to the Minnesota Department of Labor Relations, he said, there are approximately 27,000 employees in the MNSCU system, 28 percent of which are classified as "essential." This is why, he said, there appears to be so many more state employees now.

"What would you conclude would contribute to the increase in the number of state employees?" he said.

Moe said a hiring freeze takes away a manager's ability to manage an office and is not good policy. Sen. Twyla Ring (DFL-North Branch) said the state doesn't have as many employees as suggested by Day. She said that while the state ranks 21st in the country in terms of population, it ranks only 36th in terms of number of state employees.

"The way we're suggesting makes more sense," said Moe.

Day's amendment failed by a vote of 39 to 26. The bill passed by a vote of 35 to 31.

There was also a motion to bring from the table the bill that would serve as a vehicle for "conceal and carry" legislation. However, that motion failed by a vote of 33 to 33.

LTV pension resolution passed

The Senate met for a brief floor session Thurs., Feb. 14. Members granted final passage to a resolution, S.F. 3207, urging the Pension Benefit Guaranty Corporation to delay the termination of the LTV steel mining pension plan. According to chief sponsor, Sen. David Tomassoni (DFL-Chisholm), LTV workers had been told their pension fund was fully funded, but last week the Pension Benefit Guaranty Corporation announced plans to terminate the LTV pension fund. Tomassoni said the resolution was needed to alert members of Congress and allow time to negotiate in order to get the pensions back to 100 percent funding. The measure was granted final approval on a 64-0 vote.

In other action, members also granted final passage to two bills on the Consent Calendar. Bills on the Consent Calendar are considered noncontroversial and are placed there upon recommendation of the standing committee that heard the bill. S.F. 1471, authored by Sen. Jim Vickerman (DFL-Tracy), conforms the statutes to reflect the transfer of authority from the Municipal Board to the Office of Strategic and Long-Range Planning. S.F. 2655, carried by Sen. Don Samuelson (DFL-Brainerd), extends the authority of the Board of Physical Therapy to adopt rules on licensee ethics.

Tour the Capitol on CD-ROM

Senate Media Services has announced the release of a CD-ROM tour of the Capitol, called "A Building for All..."

Go to the Rotunda, the Governor's Reception Room, the Senate Chamber, the House of Representatives Chamber, the Supreme Court Chamber, and the Quadriga at your own pace and in any order you like. Travel behind the scenes to quarters that are not normally opened to the public like the House and Senate Retiring Rooms, the Supreme Court Justices' Consultation Room, or the Governor's Private Office.

A special section called "Other Neat Places" takes you to more obscure areas that you may not see on an in-person visit to the building like the inner dome, the underground tunnel system, or the newly restored "Rathskeller" cafeteria. When you have finished your multi-media tour, test yourself on what you have learned by taking the short quiz.



A screen shot of the Cass Gilbert designed oval staircase on the northeast corner of the Capitol from "A Building for All..."

Brilliant digital photography captures the artistic beauty of the building and the professional voice-over provides background information and historical perspective on the paintings, architecture, sculpture, and interior design that make up Minnesota's State Capitol building.

"A Building for All..." can be purchased for \$5 per CD (both PC and Mac versions on one disc) or borrowed at no cost by contacting Senate Media Services at (651) 296-0264.

Senate on the World Wide Web

The Minnesota Legislature's Web site has been updated. A joint effort of the Senate, House of Representatives, Legislative Reference Library, Legislative Commissions, and the Office of the Revisor of Statutes, the site offers easier access to a variety of legislative and government information.

The Legislature's page (<http://www.leg.mn>) includes links to other government agencies and departments, as well as copies of Minnesota Statutes, Session Laws, and Administrative Rules. The page also allows one to track legislation and get general information about the legislative process. The site includes a district finder service for those who need to contact their House member or Senator.

Information about joint legislative departments, the various legislative commissions, and task forces is available at <http://www.commissions.leg.state.mn.us>.

The Senate Web site (<http://www.senate.mn>) has information about members, committees and Senate staff. The page also has daily and weekly schedules for the Senate, as well as copies of the Journal and Senate Briefly. The status of legislation and confirmation of executive appointments is also available.

Committee roster

Agriculture, General Legislation and Veterans Affairs Committee

Chair: Murphy **Vice Chair:** Ring
Office: 306 Capitol **Phone:** (651) 296-7405
Meets: Weds., Fri., 9 a.m. - 12 noon, 107 Capitol
Members: 12

Berg	Fischbach	Lourey	Vickerman
Dille	Johnson, D.E.	Sams	
Fowler	Lesewski	Scheevel	

Capital Investment Committee

Chair: Langseth **Vice Chair:** Wiger
Office: 122 Capitol **Phone:** (651) 296-9612
Meets: Tues., Thurs., 1 - 3:45 p.m., 123 Capitol
Members: 13

Bachmann	Dille	Kiscaden	Samuelson
Berglin	Johnson, Douglas	Larson	Wiener
Cohen	Kierlin	Price	

Commerce Committee

Chair: **Vice Chair:** Scheid
Office: 303 Capitol **Phone:** (651) 296-5776
Meets: Weds., Fri., 9 a.m. - 12 noon, 112 Capitol
Members: 13

Belanger	Larson	Metzen	Reiter
Hottinger	Lessard	Oliver	Samuelson
Kierlin	Marty	Pappas	Wiener

Crime Prevention Committee

Chair: Ranum **Vice Chair:** Foley
Office: 120 Capitol **Phone:** (651) 296-4842
Meets: Weds., Fri., 9 a.m. - 12 noon, 15 Capitol
Members: 12

Berglin	Kleis	Moua	Schwab
Betzold	Krentz	Olson	
Chaudhary	Limmer	Neuville	

Education Committee

Chair: Pappas **Vice Chair:** Lourey
Office: 120 Capitol **Phone:** (651) 296-1802
Meets: Mon., Weds., 1 - 3:45 p.m., 123 Capitol
Members: 36

Bachmann	Knutson	Pogemiller	Scheid
Chaudhary	Krentz	Price	Schwab
Cohen	Langseth	Ranum	Solon, Y.P.
Fowler	Larson	Rest	Stumpf
Johnson, Debbie	Lesewski	Robertson	Terwilliger
Kelley, S.P.	Limmer	Robling	Tomassoni
Kierlin	Moua	Sabo	Wiener
Kinkel	Murphy	Scheevel	Wiger
Kleis	Olson		

E-12 Education Budget Division

Chair: Stumpf **Vice Chair:** Rest
Office: G-24 Capitol **Phone:** (651) 296-8660
Meets: Mon., Weds., 1 - 3: 45 p.m. Room 112 Capitol
Members: 19

Bachmann	Langseth	Pappas	Scheevel
Chaudhary	Lourey	Ranum	Schwab
Johnson, Debbie	Moua	Robertson	Tomassoni
Krentz	Olson	Sabo	Wiger
Knutson			

Higher Education Budget Division

Chair: Wiener **Vice Chair:** Kinkel
Office: 303 Capitol **Phone:** (651) 297-8073
Meets: Mon., Weds., 1 - 3:45 p.m. Room 107 Capitol
Members: 17

Cohen	Kleis	Murphy	Scheid
Fowler	Larson	Pogemiller	Solon, Y.P.
Kelley, S.P.	Lesewski	Price	Terwilliger
Kierlin	Limmer	Robling	

Environment and Natural Resources Committee

Chair: Krentz **Vice Chair:** Tomassoni
Office: 111 Capitol **Phone:** (651) 296-1113
Meets: Tues., Thurs., 9 a.m. - 12 noon, 107 Capitol
Members: 18

Anderson	Higgins	Olson	Ring
Berg	Kinkel	Pariseau	Stevens
Dille	Knutson	Pogemiller	Stumpf
Frederickson	Lessard	Price	Vickerman

Finance Committee

Chair: Johnson, Douglas **Vice Chair:** Johnson, D.H.
Office: 205 Capitol **Phone:** (651) 296-8881
Meets: Mon., Tues., Weds., Thurs., 4 - 7 p.m., 123 Capitol
Members: 37

Anderson	Higgins	Metzen	Sabo
Berg	Johnson, D.E.	Neuville	Sams
Berglin	Kiscaden	Ourada	Solon, Y.P.
Chaudhary	Kleis	Pariseau	Stevens
Cohen	Knutson	Price	Terwilliger
Day	Krentz	Ranum	Vickerman
Dille	Langseth	Ring	Wiener
Foley	Larson	Robertson	Wiger
Frederickson	Lourey	Robling	

Environment and Agriculture Budget Division

Chair: Price
Office: 235 Capitol **Phone:** (651) 296-4167
Meets: Mon., Tues., Weds., Thurs., 4 - 7 p.m. 125 Capitol
Members: 10

Berg	Higgins	Pariseau
Dille	Johnson, Douglas	Ring
Frederickson	Krentz	Wiger

Health, Human Services and Corrections Budget Division

Chair: Berglin
Office: 309 Capitol **Phone:** (651) 296-4151
Meets: Mon., Tues., Weds., Thurs., 4 - 7 p.m. Room 123 Capitol
Members: 8
Kiscaden Ranum Wiener
Lourey Sams
Neuville Stevens

State Government, Economic Development and the Judiciary

Budget Division
Chair: Cohen
Office: 317 Capitol **Phone:** (651) 296-5308
Meets: Mon., Tues., Weds., Thurs., 4 - 7 p.m. 107 Capitol
Members: 10

Anderson	Knutson	Robertson
Johnson, D.H.	Larson	Solon, Y.P.
Kleis	Metzen	Vickerman

Transportation and Public Safety Budget Division

Chair: Johnson, D.E.
Office: 124 Capitol **Phone:** (651) 296-1738
Meets: Mon., Tues., Weds., Thurs., 4 - 7 p.m. Room 112 Capitol
Members: 9

Chaudhary	Foley	Ourada	Sabo
Day	Langseth	Robling	Terwilliger

Health and Family Security Committee

Chair: Sams **Vice Chair:** Higgins
Office: 328 Capitol **Phone:** (651) 296-1323
Meets: Mon., Weds., 1 - 3:45 p.m., 15 Capitol
Members: 11

Berglin	Hottinger	Pariseau
Fischbach	Kiscaden	Ring
Foley	Lourey	Stevens

Jobs, Housing and Community Development Committee

Chair: Anderson **Vice Chair:** Sabo
Office: 120 Capitol **Phone:** (651) 296-1767
Meets: Weds., Fri., 9 a.m. - 12 noon, 123 Capitol
Members: 15
Bachmann Johnson, Debbie Moe, R.D. Solon, Y.P.
Frederickson Johnson, Douglas Orfield Terwilliger
Higgins Knutson Robertson Wiger
Johnson, D.H.

Judiciary Committee

Chair: Marty **Vice Chair:** Foley
Office: 325 Capitol **Phone:** (651) 296-5712
Meets: Tues., Thurs., 9 a.m. - 12 noon, 15 Capitol
Members: 10
Betzold Fischbach Limmer Orfield
Cohen Kiscaden Neuville Ranum

Rules and Administration Committee

Chair: Moe, R.D. **Vice Chair:** Hottinger
Office: 208 Capitol **Phone:** 296-2577
Meets: On call (Mon., 8 a.m. - 12 noon; Fri., 1 - 3:45 p.m.), 107 Cap.
Members: 23
Belanger Johnson, D.E. Olson Samuelson
Berg Johnson, Douglas Pappas Stumpf
Berglin Langseth Pariseau Vickerman
Cohen Larson Pogemiller
Day Marty Price
Frederickson Metzen Ranum

State and Local Government Operations Committee

Chair: Vickerman **Vice Chair:** Orfield
Office: 226 Capitol **Phone:** (651) 296-4150
Meets: Tues., Thurs., 1 - 3:45 p.m., 107 Capitol
Members: 13
Betzold Pogemiller Robertson Stevens
Day Reiter Robling Stumpf
Fowler Rest Solon, Y.P.

Tax Committee

Chair: Pogemiller **Vice Chair:** Fowler
Office: 235 Capitol **Phone:** (651) 296-7809
Meets: Mon., Tues., Weds., Thurs., 4 - 7 p.m., 15 Capitol
Members: 30

Bachmann	Kierlin	Moua	Rest
Belanger	Kinkel	Murphy	Samuelson
Betzold	Lesewski	Oliver	Scheevel
Fischbach	Lessard	Olson	Scheid
Hottinger	Limmer	Orfield	Schwab
Johnson, Debbie	Marty	Pappas	Stumpf
Kelley, S.P.	Moe, R.D.	Reiter	Tomassoni

Income and Sales Tax Budget Division

Chair: Betzold
Office: G-9 Capitol **Phone:** (651) 296-4147
Meets: Mon., Tues., Weds., Thurs., 4 - 7 p.m. Room 318 Capitol
Members: 13
Fowler Kinkel Marty Reiter
Fischbach Lessard Murphy Schwab
Kierlin Limmer Orfield Tomassoni

Property Tax Budget Division

Chair: Samuelson
Office: 120 Capitol **Phone:** (651) 296-4875
Meets: Mon., Tues., Weds., Thurs., 4 - 7 p.m. Room 15 Capitol
Members: 17
Bachmann Kelley, S.P. Oliver Rest
Belanger Lesewski Olson Scheevel
Hottinger Moe, R.D. Pappas Scheid
Johnson, Debbie Moua Pogemiller Stumpf

Telecommunications, Energy and Utilities Committee

Chair: Metzen **Vice Chair:** Kelley, S.P.
Office: 322 Capitol **Phone:** (651) 296-4175
Meets: Tues., Thurs., 1 - 3:45 p.m., 15 Capitol
Members: 15
Anderson Lesewski Oliver Sams
Frederickson Lessard Ourada Scheevel
Johnson, D.H. Marty Pariseau Tomassoni
Kinkel

Transportation Committee

Chair: **Vice Chair:** Chaudhary
Office: 323 Capitol **Phone:** (651) 296-5285
Meets: Tues., Thurs., 9 a.m. - 12 noon, 112 Capitol
Members: 18
Belanger Langseth Ourada Sabo
Day Metzen Pappas Samuelson
Johnson, D.H. Moua Reiter Schwab
Johnson, D.E. Murphy Robling Terwilliger
Johnson, Debbie

Preview

Monday, February 18

The Senate will be in session at 9 a.m.

Health and Family Security Committee

Chair: Sen. Dallas Sams

1 p.m. Room 15 Capitol

Agenda: S.F. 3005-Wiener: Modifying certain protocols for nurses. S.F. 3006-Wiener: Providing for clinical nurse specialists waiver. S.F. 3026-Kelley, S.P.: Regulating the provision of interstate telemedicine services. S.F. 3026-Kelley, S.P.: Modifying registration requirements for speech-language pathologists. S.F. 2865-Stevens: Modifying terms of temporary licensure for occupational therapists. S.F. 2768-Lessard: Changing provisions in the medical assistance demonstration project. S.F. 3126-Foley: Making technical changes in health care programs. S.F. 3124-Foley: Modifying resident reimbursement classifications.

Higher Education Budget Division

Chair: Sen. Deanna Wiener

1 p.m. Room 107 Capitol

Agenda: Presentation of the U of M's required reports by Frank Cerra, senior vice president for Health Sciences; Robert Bruiniks, executive vice president and provost; Richard Pfitzenreuter, associate vice president and chief financial officer; Charles Casey, dean and director of Extension Service and Charles Muscoplat, vice president of Agricultural Policy.

Jobs, Housing and Community Development Committee

Chair: Sen. Ellen Anderson

6 p.m. Room 112 Capitol

Agenda: MHFA Report on Inclusionary Housing Initiatives. S.F. 2881-Cohen: Inclusionary housing. S.F. 3169-Rest: Mixed housing development. S.F. 2968-Higgins: Manufactured home park owners residents discrimination prohibition. MHFA Report on Rental Application Fees. S.F. 3118-Sabo: Rental application fees. S.F. 2652-Anderson: Family homeless prevention and assistance program. S.F. 3065-Solon: Emergency assistance and transitional housing. S.F. 2680-Limmer: Housing/energy code. S.F. 3148-Accessory dwelling units.

Education Committee

Chair: Sen. Sandra Pappas

7 p.m. Room 123 Capitol

Agenda: S.F. 2488-Larson: Proposing an amendment to the Minnesota Constitution; providing for appointment of members of the University of Minnesota

Board of Regents. S.F. 2573-Berg: Allowing independent school district 801, Browns Valley, to begin the school year as early as August 27. S.F.2828- Robertson: Modifying a limitation on the ability of the board of trustees of the Minnesota State Colleges and Universities and intermediate school districts to enter into certain property agreements. S.F. 3027-Pappas: Allowing undocumented noncitizens to qualify as residents of Minnesota for state higher education purposes.

Judiciary Subcommittee on Data Practices

Chair: Sen. Don Betzold

7 p.m. Room 107 Capitol

Agenda: S.F. 2756-Betzold: Labor and Industry and Revenue Departments wage and employment information exchange authority. S.F. 1372-Betzold: Child maltreatment assessment and investigation data classification. S.F. 2949-Betzold: School bus drivers, private detectives and protective agents and liquor license applicants criminal background checks. S.F. 2669-Hottinger: Minnesota Emergency Health Powers Act. S.F. 3045-Betzold: Authorizing extension of the domestic fatality review team pilot project in the Fourth Judicial District. S.F. 3111-Ranum: Requiring the juvenile court to send data relating to juvenile petitions to the statewide supervision system. S.F. 3167-Betzold: Providing access to data for purposes of the commissioner's preliminary determination whether a petition of civil commitment as a sexual psychopathic personality or sexually dangerous person is appropriate. S.F. 2919-Chaudhary: State agencies public data disclosure individual consent requirement. S.F. 3097-Foley: Child support collection and enforcement provisions modifications. S.F. 3231-Betzold: Providing that nondesignated addresses on license applications are not public data.

Tuesday, February 19

Judiciary Committee

Chair: Sen. John Marty

9 a.m. Room 15 Capitol

Agenda: S.F. 2814-Murphy: Cooperative members electronic voting. S.F. 2697-Rest: Real estate transactions disclosure requirements. S.F. 2917-Rest: Eminent domain appraisal fees reimbursement limit increase. S.F. 2707-Kelley: Real estate registration fee surcharge increases for real estate task force. S.F. 2669-Hottinger: Minnesota Emergency Health Powers Act. S.F. 2559-Knutson: Impounded motor

vehicles shorter sale period application expansion. S.F. 2541-Neuville: Real property conveyance and document recording provisions. S.F. 2673-Cohen: Child custody de facto and third party custodians. S.F. 2611-Ranum: Interstate Compact for Adult Offender Supervision. S.F. 2838-Ranum: Closed public meetings for security issues discussion. S.F. 2625-Higgins: Assisted Reproduction Act. S.F. 1000-Stevens: Local government units eminent domain acquired property sale restriction. S.F. 2937-Hottinger: Environmental release response costs recovery statute of limitations.

State and Local Government Operations Committee

Chair: Sen. Jim Vickerman

1 p.m. Room 107 Capitol

Agenda: S.F. 3041-Scheid: Ratifying state labor contract. S.F. XXXX-Moe, R.D.: Public employee labor contracts. S.F. 2704-Wiger: Electronic processing of motor vehicle registration renewals in Washington County. S.F. 1755-Stumpf: Mandatory statewide health insurance plan for school district employees. S.F. 2873-Johnson, Douglas: Authorizing Cook County to convey Mineral Center Cemetery to Grand Portage Reservation. S.F. 2944-Johnson, Douglas: Relating to Cook County; authorizing county to expend the proceeds of a certain levy for road and bridge purposes. S.F. 2834-Day: Permitting appointment of county recorder in Steele County. S.F. 2930-Pogemiller: Financing of Metro Area transit and paratransit capital expenditures. S.F. 3034-Pogemiller: Relating to Hennepin County; authorizing certain contracting with public or private cooperative purchasing organization. S.F. 2971-Knutson: State procurement; competitive bidding for building and construction contracts. S.F. 3147-Orfield: Modifying affirmative action programs.

Telecommunications, Energy and Utilities Committee

Chair: Sen. James Metzen

1 p.m. Room 15 Capitol

Agenda: Confirmation of Phyllis Reha's appointment to the Public Utilities Commission. H.F. 2624-Robling: Shakopee public utilities commission membership increase. S.F. 2801-Olson: Delano public utilities commission membership increase. S.F. XXXX-Pogemiller: Crown Hydro personal property tax exemption.

Health, Human Services and Corrections Budget Division

Chair: Sen. Linda Berglin
4 p.m. Room 123 Capitol

Agenda: Review of supplemental budget items: Department of Corrections, Veterans Homes, Health Department and Board of Chiropractors. S.F. 819-Lourey: Plumbers licensing requirements modifications. S.F. 887-Lourey: Medical and specialized medical response units registration.

Tax Committee

Chair: Sen. Lawrence Pogemiller
4 p.m. Room 15 Capitol

Agenda: Final report of the Minnesota Stadium Task Force.

Transportation and Public Safety Budget Division

Chair: Sen. Dean E. Johnson
4 p.m. Room 112 Capitol

Agenda: S.F. 2336-Stumpf: Joint vehicle maintenance and storage building construction bond issue. S.F. 2639-Ourada: Inter-regional corridor development TH #55. S.F. 2730-Lourey: Aitkin County Great River Road funding. Administration trunk highway bonding requests- MnDOT headquarters building exterior, service shop consolidation, Mankato headquarters replacement, digital equipment backbone appropriations. S.F. 2911-Johnson, Dean: Agency consulting contract modifications.

Wednesday, February 20

Agriculture, General Legislation and Veterans Affairs Committee

Chair: Sen. Steve Murphy
9 a.m. Room 107 Capitol

Agenda: S.F. 3068-Murphy: Providing certain protections to persons called or ordered to active service. S.F. 2898-Tomassoni: Permitting the harvesting of farmed cervidae on licensed shooting preserves. S.F. 3201-Oliver: Creating a task force to study the design of the state flag. S.F. 3145-Foley: Revising the Minnesota military code of justice. S.F. 3192-Krentz: Providing for agriculture and pollution control, terrorist activity prevention, response, and investigation policies; appropriating money for antiterrorism initiatives.

Commerce Committee

Vice Chair: Sen. Linda Scheid
9 a.m. Room 112 Capitol

Agenda: S.F. 709-Higgins: Authorizing Minneapolis, St. Paul, Bloomington & Duluth to adopt ordinances to extend bar hours at hotels. S.F. 2739-Metzen: Omni-

bus liquor bill. S.F. 2443-Kierlin: Providing for measurement of minimum distance from state university campuses for licenses. S.F. 2665-Schwab: Authorizing three additional on-sale liquor licenses in Albert Lea. S.F. 3032-Solon, Y.P.: Authorizing city of Proctor to issue additional liquor licenses. S.F. 3159-Terwilliger: Authorizing Eden Prairie to issue up to five on-sale intoxicating liquor licenses in addition to the number authorized by law. S.F. 3080-Rest: Modifying certain provisions relating to preneed funeral trust accounts. S.F. 2150-Stevens: Low voltage bill. S.F. 3193-Samuelson: Modifying provisions relating to electricians; adding power limited licensing classifications and requiring rulemaking.

Jobs, Housing and Economic Development Committee

Chair: Sen. Ellen Anderson
9 a.m. Room 123 Capitol

Agenda: To be announced.

Legislative Audit Commission

Chair: Sen. Ann Rest
10 a.m. Room 118 Capitol

Agenda: Release and review of program evaluation report of: State Employee Health Insurance. Report of the Special Subcommittee on Data Access and Topic Selection.

Education Committee

Chair: Sen. Sandra Pappas
1 p.m. Room 123 Capitol

Agenda: S.F. 2725-Lourey: CFL early childhood administrative policy bill. S.F. 2894-Kelley: Providing an additional method for school districts to form and sponsor a charter school. S.F. 3094-Kelley: Authorizing city sponsorship of a performing arts charter school. S.F. 3187-Pappas: Repealing and amending unneeded and obsolete education provisions.

Health and Family Security Committee

Chair: Sen. Dallas Sams
1 p.m. Room 15 Capitol

Agenda: S.F. 2877-Ranum: Placing a moratorium on the establishment, licensure, and public financing of large institutions. S.F. 3098-Berglin: Making technical changes to continuing care programs. S.F. 3100-Berglin: Establishing approved tribal health professionals as medical assistance providers. S.F. 2918-Berglin: Imposing a moratorium on the sixty month time limit on MFIP. S.F. 2974-Berglin: Allowing optional registration as a housing with services established under certain circumstances.

State and Local Government Operations Committee

Chair: Sen. Jim Vickerman
4 p.m. Room 107 Capitol

Agenda: To be announced.

Education Committee

Chair: Sen. Sandra Pappas
7 p.m. Room 123 Capitol

Agenda: To be announced.

Thursday, February 21

The Senate will meet at 8:30 a.m.

Judiciary Committee

Chair: Sen. John Marty
9 a.m. Room 15 Capitol

Agenda: Bills from previous agenda. Other bills may be added.

State and Local Government Operations Committee

Chair: Sen. Jim Vickerman
1 p.m. Room 107 Capitol

Agenda: S.F. 2566-Johnson, Dean: Omnibus pension bill. S.F. 3206-Marty: Shifting social security administrative duties from the Dept. of Employee Relations to Public Employees Retirement Association. S.F. 3162-Vickerman: Appointment of county recorder for Murray County. S.F. XXXX-Scheid: Organ donor rules. S.F. 2695-Ring: Authorizing counties to require dedication of land for public parks. S.F. 2622-Kiscaden: Volunteer health care provider program. S.F. 2562-Scheid: Modifying licensure requirements.

Tax Committee

Chair: Sen. Lawrence Pogemiller
4 p.m. Room 15 Capitol

Agenda: To be announced.

Friday, February 22

Commerce Committee

Vice Chair: Sen. Linda Scheid
9 a.m. Room 112 Capitol

Agenda: To be announced.

Jobs, Housing and Economic Development Committee

Chair: Sen. Ellen Anderson
9 a.m. Room 123 Capitol

Agenda: To be announced.

Education Committee

Chair: Sen. Sandra Pappas
1 p.m. Room 123 Capitol

Agenda: To be announced.

Minnesota Senate 2002

Party	Phone	Name	Room	District	Party	Phone	Name	Room	District
DFL	296-5537	Ellen R. Anderson	120 Cap.	66	DFL	296-4370	James P. Metzner	322 Cap.	39
R	296-4351	Michele M. Bachmann	125 SOB	56	DFL	296-2577	Roger D. Moe	208 Cap.	2
R	296-5975	William V. Belanger, Jr.	113 SOB	41	DFL	296-5285	Mee Moua	323 Cap.	67
R	296-5094	Charles A. Berg	25 SOB	13	DFL	296-4264	Steve Murphy	306 Cap.	29
DFL	296-4261	Linda Berglin	309 Cap.	61	R	296-1279	Thomas M. Neuville	123 SOB	25
DFL	296-2556	Don Betzold	G-9 Cap.	48	R	296-4837	Edward C. Oliver	117 SOB	43
DFL	296-4334	Satveer Chaudhary	325 Cap.	52	R	296-1282	Gen Olson	119 SOB	34
DFL	296-5931	Richard J. Cohen	317 Cap.	64	DFL	296-4191	Myron Orfield	227 Cap.	60
R	296-9457	Dick Day	147 SOB	28	R	296-5981	Mark Ourada	145 SOB	19
R	296-4131	Steve Dille	103 SOB	20	DFL	296-1802	Sandra L. Pappas	120 Cap.	65
R	296-2084	Michelle L. Fischbach	15 SOB	14	R	296-5252	Pat Pariseau	109 SOB	37
DFL	296-4154	Leo T. Foley	G-24 Cap.	49	DFL	296-7809	Lawrence J. Pogemiller	235 Cap.	59
DFL	296-5713	Chuck Fowler	G-9 Cap.	26	DFL	297-8060	Leonard R. Price	235 Cap.	57
R	296-8138	Dennis R. Frederickson	139 SOB	23	DFL	297-8061	Jane B. Ranum	120 Cap.	63
DFL	296-9246	Linda Higgins	328 Cap.	58	R	296-1253	Mady Reiter	132D SOB	53
DFL	296-6153	John C. Hottinger	205 Cap.	24	DFL	296-2889	Ann H. Rest	G-24 Cap.	46
DFL	296-9261	David H. Johnson	124 Cap.	40	DFL	296-5419	Twyla L. Ring	306 Cap.	18
DFL	296-3826	Dean E. Johnson	124B Cap.	15	R	296-4314	Martha R. Robertson	141 SOB	45
R	296-3219	Debbie J. Johnson	149 SOB	50	R	296-4123	Claire A. Robling	143 SOB	35
DFL	296-8881	Douglas J. Johnson	205 Cap.	6	DFL	296-4274	Julie A. Sabo	317 Cap.	62
DFL	297-8065	Steve Kelley	321 Cap.	44	DFL	297-8063	Dallas C. Sams	328 Cap.	11
R	296-5649	Bob Kierlin	127 SOB	32	DFL	296-4875	Don Samuelson	120 Cap.	12
DFL	296-4913	Anthony G. "Tony" Kinkel	G-9 Cap.	4	R	296-3903	Kenric J. Scheevel	129 SOB	31
R	296-4848	Sheila M. Kiscaden	135 SOB	30	DFL	296-8869	Linda Scheid	303 Cap.	47
R	296-6455	Dave Kleis	107 SOB	16	R	296-9248	Grace S. Schwab	151 SOB	27
R	296-4120	David L. Knutson	133 SOB	36	DFL	296-4188	Yvonne Prettner Solon	303 Cap.	7
DFL	296-7061	Jane Krentz	111 Cap.	51	R	296-8075	Dan Stevens	105 SOB	17
DFL	296-3205	Keith Langseth	122 Cap.	9	DFL	296-8660	LeRoy A. Stumpf	G-24 Cap.	1
R	296-5655	Cal Larson	153 SOB	10	R	296-6238	Roy Terwilliger	115 SOB	42
R	296-4125	Arlene J. Lesewski	131 SOB	21	DFL	296-8017	David J. Tomassoni	111 Cap.	5
IND	296-4136	Bob Lessard	G-51 SOB	3	DFL	296-5650	Jim Vickerman	226 Cap.	22
R	296-2159	Warren Limmer	155 SOB	33	DFL	297-8073	Deanna L. Wiener	303 Cap.	38
DFL	296-0293	Becky Lourey	G-9 Cap.	8	DFL	296-6820	Charles W. Wiger	301 Cap.	55
DFL	296-5645	John Marty	325 Cap.	54					

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In an historic display of bipartisan support, Senate Majority Leader Roger Moe (DFL-Erskine), top, and Senate Minority Leader Dick Day (R-Owatonna), bottom, along with House Republican leadership and other members of the Legislature speak during a press conference Tues., Feb. 19, held to announce an agreement on a budget balancing compromise. Photo by David J. Oakes



February 22, 2002

Senate Highlights

Agreement reached

Members of the Conference Committee on H.F. 351, the omnibus budget reconciliation bill, met Wed., Feb. 20, to finalize an agreement reached by leadership from the Senate and the other body. The conference committee report includes one-time spending reductions of \$131 million, transfers from various budget reserve accounts of \$1.464 billion and \$374.3 million in permanent spending reductions for the FY 02-03 biennium. For the next biennium, the permanent spending reductions equal a change of \$720 million. The proposal also eliminates planning for inflation, saving \$1.127 billion during FY 04-05.

Among the savings in the current biennium are a \$4 million cut in early and childhood education, a \$15.015 million cut in K-12 education and a \$50 million cut to higher education. The agreement also reduces spending in the transportation-related areas by \$4.1 million. The proposal makes cuts for corrections services by \$13.078 million, in public safety services by \$9.713 million and in the state courts by \$1.592 million. Environment and natural resources funding is reduced by \$14.2 million under the proposal. The agreement reduces

funding for agriculture by \$2.7 million. In the proposal, state government spending is reduced by \$75 million. Economic development appropriations, under the proposal, are reduced by \$7.044 million. Health and human services spending is reduced by \$95.922 million. The agreement also includes a one-time transfer of \$16 million into the dislocated worker program.

Staff from both bodies outlined details within each area of cuts for members of the conference committee. Sen. Lawrence Pogemiller (DFL-Mpls.) asked if the cuts in early childhood will be actual cuts or if federal money existed to maintain services. House Fiscal Analyst Katherine Schill said only \$3 million was available to backfill cuts, so \$1 million had to be made up with cuts. She added that federal funds will be increasing. The actual cut is about \$500,000 from a base of \$13 million.

Noting that the K-12 education section of the bill includes new property tax levies for FY 04-05, Sen. Douglas Johnson (DFL-Tower) said he thought new property taxes were not to be included in the bill. Rep. Alice Seagren (R-Bloomington) said she was informed that new levies were okay if approved by leadership in both houses. She said the

levies were discussed between herself and Sen. LeRoy Stumpf (DFL-Thief River Falls). Seagren added her impression was that leadership had signed off on the levies.

Members also adopted several amendments to the conference committee report, including one excluding Minnesota State Colleges and Universities from a hiring freeze provision in the bill, but including MnSCU in a consulting contract moratorium. The panel also accepted an amendment, requested by the Department of Finance, appropriating \$25.1 million to the commissioner of finance to meet obligations under a recently reached lawsuit settlement agreement. Concerns about the levy increases included in the bill were addressed by an amendment making the increases effective only in FY 05.

The conference committee report, as amended, was adopted by the panel on a voice vote.

Senate ratifies agreement

During an afternoon floor session, Thurs., Feb. 21, Senators adopted the report of the conference committee on H.F. 351, sending the budget reconciliation agreement to the governor. Sen. Douglas Johnson (DFL-Tower), co-chair of the joint panel, said Legislators recognize that the bill is not a perfect, final solution to the state's forecast budget woes. However, he said, "I think we've reached a historic agreement." Every Senator, Johnson said, could find a reason to vote against the bill. However, the Senate's job, he said, is to balance the budget for the current biennium and begin the planning for the next pair of fiscal years.

Sen. Becky Lourey (DFL-Kerrick) spoke against the bill, saying it placed the state in fiscal jeopardy by failing to couple spending cuts with new revenues. She said she did not believe that any more action will be taken on budgetary matters during the fiscal session, contrary to statements from Legislative leadership that further phases are coming. Lourey said transferring funds from the worker's comp special fund represented the Legislature "taking money we have no business taking." She moved to reject the conference committee report. The motion failed, 7-56.

"Today is a day we should all be proud of," said Minority Leader Dick Day (R-Owatonna). He complimented Majority Leader Roger D. Moe (DFL-

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Erskine) and Johnson for using elements of a plan Day advanced to balance the budget. The bill's elements, Day said, are things Minnesotans want Senators to do. Compromising early in the session, he said, was the right thing to do.

Moe said leadership isn't always easy, but that Senators are united by one common denominator. "We were all elected to lead," he said. Passage of the bill, he said, sends a strong message to the people of Minnesota. Adopting the report will allay fears about unallotment of previously appropriated funds and elimination of programs.

The conference committee report was adopted and the bill was granted final passage, 57-8.

Bonding bill passed

The Senate passed its largest bonding bill ever, during the floor session Mon., Feb. 18.

"It is an aggressive bill that addresses many of the state's needs," Sen. Roger Moe (DFL-Erskine) said. "This is the time for such a bill. The interest rates are down, unemployment is going up, the state's infrastructure needs great repairs, and contractors need work," he said.

Higher education projects, which make up 45 percent of the bonding appropriation, far surpass any other category of bonding proposals. Natural resources and environmental projects receive the second greatest amount of bond proceeds and equal 18 percent of the appropriations.

The final price tag on the bill, \$1.12 billion, outpends the governor, who recommended \$854 million in bond sales.

Sen. Keith Langseth (DFL-Glyndon), author of the bill, said the effects of the bill will be felt all over the state. Only 1 percent of the bonding is spent on local projects, he said. While Greater Minnesota will benefit from most of the natural resources funding, he said, the Metro Area will receive much of the bonding for the University of Minnesota, which had 100 percent of its bonding requests funded in the bill.

Sen. Dean Johnson (DFL-Willmar) offered an amendment, which he said would further the regional equality of the bill. His amendment requires the Office of Administration to develop plans to move the Dept. of Agriculture (DOA) to a location in Greater Minnesota.

He said the state could save millions of dollars if it moved the department into an existing state building in a rural community, instead of building a whole new complex in the Twin Cities, as it is currently considering. "It doesn't make sense to keep building and building when we already have too many buildings," said Dean Johnson.

Sen. David Tomassoni (DFL-Chisholm) said, "It makes sense to put the department that deals with rural Minnesota in rural Minnesota." Sen. Bob Lessard (DFL-Int'l. Falls) said that if the DOA moves to rural Minnesota, it would also make sense to put the Dept. of Natural Resources's headquarters in

Northern Minnesota. Sen. Richard Cohen (DFL-St. Paul) said moving the DOA might cause a domino effect of departments moving out of St. Paul. "The domino effect is already happening," said Dean Johnson, "only all of the dominos are falling in the Metro Area." He said the provision is necessary to disperse good paying government jobs with benefits into rural Minnesota, which is experiencing population loss. The Senators voted 35-28 in favor of the amendment.

In an amendment she said would also create regional equity, Sen. Mady Reiter (R-Columbia Heights) purposed replacing an \$8 million bonding appropriation for the Northstar Corridor with funding for an improved intersection at Interstate 35W and County Road J. "The proposal will significantly reduce congestion north of the cities," she said.

Sen. David Johnson (DFL-Bloomington) said, "All 67 of us have transportation issues in our districts, and we hope to have a transportation bonding bill next week that will address them. Even President Bush put the corridor in the federal budget. To take the \$8 million out and use it for local projects has no precedent." The amendment failed on a 8-51 vote, leaving \$8 million to fund the corridor project, which the governor had recommended funding with \$120 million.

The members adopted an amendment, offered by Sen. Jane Krentz (DFL-May Township), that requires all public facilities being funded by the bill to offer recycling of at least three types of garbage. "It saves resources and it is plain commonsense," she said.

Senators continued debate on the bonding bill, H.F. 980, with an amendment offered by Sen. Michele Bachmann (R-Stillwater), providing additional funding for the St. Croix River Bridge project. The amendment appropriates \$15 million to pay the costs of environmental mitigation. Sen. Keith Langseth (DFL-Glyndon) said the appropriation is better suited for a transportation bill, since the money is appropriated from the trunk highway fund.

Sen. Jane Krentz (DFL-May Township) said Minnesota taxpayers should not be paying for the entire cost of environmental mitigation on the project. Since the federal government is blocking work on the project until mitigation is accounted for, Krentz said, the federal government should pay for the work. If the

FY 02-03 Budget Agreement

One-time resources

Budget reserve	653.0
Cash flow account	195.0
LGA reserve account	14.0
Tax relief account	158.1
Assigned Risk surplus	94.9
Workers Comp Special Fund	230.0
Delay June accelerated buyback	118.6

Total 1,463.6

One-time spending reductions

TIF grant fund	91.0
St. Paul busway	40.0

Total 131.0

Permanent spending reductions

K-12 education	15.0
Family and early childhood education	4.0
Higher education	50.0
Health and human services	95.9
Environment	14.3
Agriculture	2.7
Transportation	4.1
Judiciary	26.3
Economic development	7.0
State government	41.9
TIF grants	38.0
Hiring freeze	40.0
Contract mortarium	35.0

Total 374.3

Total budget changes 1,968.9

Forecast shortfall 1,953.2

Remaining resources 15.7

Figures are in \$ millions.
Source: Senate Fiscal Policy Analysis

Senate Highlights

appropriation will not be made federally, she said, then Minnesota and Wisconsin should both contribute. Bachmann said her amendment is meant as a last ditch attempt to ensure the project is completed. The amendment was rejected, 23-39.

Sen. Dean Johnson (DFL-Willmar) offered an amendment appropriating \$1 million to the city of St. Paul for the construction of a new armory in St. Paul. The amendment also reduced the appropriation for refurbishment of the governor's mansion by \$1 million. Johnson said 75 percent of the construction cost of a new armory will be covered by the federal government, but the Legislature can leverage those funds only by making a commitment to the building of a new facility.

Sen. Gen Olson (R-Minnetrissa) said now is the time to complete renovation of the governor's residence. Since the state acquired the structure, she said, almost nothing has been done to improve the state of the upper two floors. "This

inattention is disrespectful of both the resident of the mansion and, more importantly, the many national and international guests of the state" who use the mansion, she said. Sen. Ellen Anderson (DFL-St. Paul) said waiting to fund a new armory may mean that federal funds will not be available during the next bonding cycle. Sen. Martha Robertson (R-Minnetonka) said it was disingenuous to say that the funds were being moved from one St. Paul project—the governor's residence—to another, the armory. Of all the projects in St. Paul, she said, the governor's mansion has the most significance to the state as a whole. The amendment failed on a voice vote.

Members approved an amendment, offered by Sen. Grace Schwab (R-Albert Lea), to expand the state's 800-megahertz radio system. Initially, the amendment appropriated \$100,000 to the project and reduced asset preservation funding, in the bill, to the Department of Natural Resources by an equal amount. Sen. Dave

Kleis (R-St. Cloud) said fully funding the 800-megahertz communication system requires \$38 million in bond proceeds. However, he said, the \$100,000 is a start toward addressing a vital public safety concern. Members adopted an amendment to the Schwab amendment, offered by Sen. Dennis Frederickson (R-New Ulm), that restored the DNR appropriation and reduced funding, in the bill, to the Department of Corrections by \$100,000. Frederickson said corrections facilities are appropriated \$23 million in the bill, so a \$100,000 reduction is less drastic.

The Senate gave final passage to H.F. 980, as amended, 51-13.

In other action, Senators approved a bill appropriating \$7.8 million for grants to 10 noncommercial television stations for conversion to a digital broadcast signal as mandated by the federal government. Langseth said the bill—S.F. 107—restores funds the stations thought were available but were being held up by the governor. The bill was given final passage, 62-4.



Sen. Twyla Ring (DFL-North Branch) holds up a poster-sized photo depicting butterflies killed by the application of pesticides in Gaylord during an Agriculture, General Legislation and Veteran Affairs Committee hearing Wed., Feb. 20, as, in the foreground, Senators Charles Berg (R-Chokio), left, and Dean Johnson (DFL-Willmar) look on.

Photo by David J. Oakes

Committee update

Agriculture, General Legislation and Veterans Affairs

Animal antibiotics discussed

Members of the Agriculture, General Legislation and Veterans Affairs Committee, chaired by Sen. Steve Murphy (DFL-Red Wing), met Fri., Feb. 15, to hear testimony regarding S.F. 2884—a bill that prohibits the non-therapeutic use of antibiotics in animal agriculture—and S.F. 2882—a resolution that calls on the United States Congress to limit the use of antibiotics in animal agriculture.

S.F. 2882, carried by Sen. Jane Krentz (DFL-May Township), is a resolution stating that the use and misuse of antibiotics has been shown to promote the spread of resistant bacteria. The measure calls on the United States Congress and the commissioner of the Food and Drug Administration of the United States to take steps to protect the health of the people of the United States, and to maintain the effectiveness of human antibiotics, by limiting the use of antibiotics as routine additives to animal feeds and water. The resolution also calls upon leaders in the other states to join in this effort.

Murphy asked if more diseases are caused or created by the agricultural use of antibiotics or by the liberal use of prescription antibiotics for humans. David Wallinga, director of the Antibiotic Resistance Project at the Institute for Agriculture and Trade Policy, said resistance to bacteria increases in relation to the use of antibiotics. However, he said there is no way to proportionally track the instances of resistance from animal or agricultural use, and added that there is already a campaign to limit human use. Murphy said a “dual track” should be taken to include both animal and human use.

“If you’re going to ask agriculture to undergo this, then you should ask the medical profession to do this too,” he said.

Sen. Kenric Scheevel (R-Preston) said he was uncomfortable believing that the use of antibiotics in animals transferred to such a great extent to humans. He said he didn’t think eliminating their use in agriculture would reduce the instances of bacteria resistant to antibiotics in humans. Responding, Wallinga said there is a reason that so many public health organi-

zations have taken a stand against overuse in agriculture.

Will Hueston, professor of epidemiology and director of the Center for Animal Health and Food Safety at the University of Minnesota, also testified regarding the bill. He said the majority of resistance problems in human medicine appear to be linked to antimicrobial use in humans and the majority of resistance problems in animal medicine appear to be linked to antimicrobial use in animals. He said some resistance problems cross from animals to humans and vice versa, but the extent of the exchange is not known. While stating that an antimicrobial should be used judiciously, Hueston also said any attempt to prohibit their use for agricultural purposes in Minnesota—the subject of S.F. 2884—will have more of a negative impact than a positive impact. He said a prohibition puts Minnesota farmers at a disadvantage—since farmers in other states have no prohibition—and gives Minnesotans a false sense of security. Minnesota groceries stock more than just Minnesota food, he said, and that food will still have antibiotics in them.

Sen. Jim Vickerman (DFL-Tracy) offered an amendment that deletes most of the original bill and calls on the United States Congress, the Food and Drug Administration and the United States Department of Agriculture to take steps to promote judicious use of antimicrobials and support research concerning antimicrobial resistance. The amendment included no statistics regarding the use of animal antibiotics and stated “the key to addressing the problem of resistance begins with prudent and judicious use of antimicrobials in both humans and animal medicine.”

Krentz said the phrase “judicious use” is too vague to provide a specific definition. Any farmer could have a different version of what “judicious use” means, she said, making anything with similar language unenforceable. She opposed the amendment. Hueston, however, said the “judicious use” of antimicrobials is a concept that is currently being promoted in agriculture and in medicine. He said a more collective approach that involves both the agricultural and the medicine fields is preferable. Minnesota had an opportunity to set an example and push it forward, Hueston said.

Krentz offered an amendment to Vickerman’s amendment that “urges” the

Food and Drug Administration and the United States Department of Agriculture to take steps to limit the use of antibiotics for animal agriculture at levels other than those used for therapeutic reasons. Sen. Charles Berg (R-Chokio) called to divide the amendment, taking Vickerman’s amendment first. That part was adopted. Krentz’s amendment failed. The bill, as amended, was then approved and sent to the Senate floor with the agreement to continue discussing the language of the resolution. S.F. 2884 was laid over.

Pesticide regulation discussed

Members of the Agriculture, General Legislation and Veterans Affairs Committee, chaired by Sen. Steve Murphy (DFL-Red Wing), met Wed., Feb. 20, to hear testimony regarding a bill clarifying and increasing the regulation of pesticide use.

Carried by Sen. Lawrence Pogemiller (DFL-Mpls.), S.F. 3262 requires the impact of pesticide use on the environment to be determined. In addition, the bill requires a study of the prevention of impacts on surface and groundwater. It requires the development of best management practices designed to ensure the “health and safety of people and to protect the environment.” The bill authorizes the monitoring of urban and rural pesticide use, including gathering information on the purpose of pesticide use, the total and per-use quantity used, the location of each use recorded by section, the month used, the product used and the method of application. According to the bill, all areas of the state where agricultural chemicals are applied must be monitored, the commissioner of health—in consultation with a toxicologist and instead of the commissioner of agriculture—must review the findings. The measure also provides that the information gathered is public data. The bill requires each application for pesticide registration use to be reviewed for adverse effects to the environment and human health and states that registration may be approved, denied or canceled at any time. The bill redefines a “pollutant” as a “man-made or man-induced alteration of the chemical, physical, biological or radiological integrity of water.”

If a pollutant is discovered, the bill also requires the development of best management practices within three months and the implementation or dissemination of the information to farmers within nine months. The bill also requires the develop-

Committee update

ment of best management practices if groundwater pollution is discovered within one year of detection and requires the adoption of the water source protection requirements under current law if the pollutant is not decreasing significantly after two years. The bill also sets up a task force to investigate and design crop management system designed to reduce the amount of toxicity and pesticides used. Pogemiller said the bill is not a ban on pesticides and is not an attempt to change the way farms operate unless the groundwater near them is contaminated. He said it builds on the Groundwater Protection Act passed several years ago.

Janette Brimmer, legal director with the Minnesota Center for Environmental Advocacy, testified in support of the bill. She said scientific evidence shows significant links between pesticide exposure in humans and stillbirths, spontaneous abortions, birth defects, cancer, Parkinson's disease and impaired neural development among children. She said Southern Minnesota and Northern Iowa—high agricultural areas—are also “hot spots” for non-Hodgkin's lymphoma. She also said pesticides are found in groundwater here. She said 52 percent of samples in a study by United States Geological Survey between 1991 and 1995 in the Minnesota Red River Valley contained pesticide and 86 percent of the samples within a 75 square mile area in Sherburne County contained at least one pesticide.

Murphy raised a concern with the bill, saying it expands the definition of “pollutant.” He also said he would like to know if large amounts or trace amounts of pollutants—not simply that they were there—were being found in groundwater. Sen. Steve Dille (R-Dassel) said that most pesticides used on farms are biodegradable and the level that gets in groundwater is small. He also said many plants produce natural pesticides. He agreed there appeared to be a connection between pesticides and non-Hodgkin's lymphoma, but added that contraction due to pesticides is rare.

Pogemiller said what he was advocating was not an alarmist proposition. He said it is just a call to study the situation and review the results. “It's not well thought out to not look at scientific evidence,” he said. “We should look at the data and try to work with what we can work with.”

Pogemiller offered to delete various sections of the bill, leaving only sections dealing with preventing the impacts on surface and groundwater, the monitoring on a biennial basis, the changed definition of “pollutant,” the requirement that records on pesticide use be public and the requirement to implement best management practices within three months of finding a pollutant and that information to farmers be given within nine months. He said the impact of the bill was being overestimated, that it didn't have an adverse affect on farmers and that it was only meant to be for information gathering purposes. The amendment was adopted.

Dan Stoddard, from the Department of Agriculture, said the bill is significant in that it does add costs to the department. He also said there were provisions in the bill he didn't fully understand. The bill was laid over.

Members also heard a bill establishing licensed shooting preserves for farmed deer. S.F. 2898, carried by Sen. David Tomassoni (DFL-Chisholm), allows the sale of farmed cervidae (deer and elk) for personal consumption, sets the fee for a shooting preserve license at \$1,000 annually plus \$100 monthly, allows the establishment of 10 preserves, requires each preserve to contain between 320 and 960 acres, requires the boundaries of the preserve to be clearly posted at intervals of at least 500 feet and requires perimeter fencing to comply with current Minnesota law. The bill requires the removal of all wild cervidae from the preserve, specifies that a hunting license is not required on a preserve, requires the cervidae to be permanently marked for identification and allows the licensee to determine who may hunt in the preserve.

Dennis Niess, president of the Minnesota Deer Breeders Association, spoke in support of the bill. He said the bill helps farmers, as deer and elk breeders and preserve operators need to buy feed for their animals. He also said charging \$2,500 to \$3,000 for people to hunt preserves will bring tourist money in to the state. Also, he said, since for each animal taken the operator must pay \$75 to the Department of Natural Resources fish and game fund, preserves will bring money to the department.

Howard Goldman, representing Friends of Animals and the Minnesota Humane Society, spoke against the bill. He said a shooting preserve was not

hunting, but killing, and there is no sport involved. He said it wasn't a fair chase because the animals have nowhere to run. He also said farm deer and elk have been known to spread disease to wild deer and elk, which then can be spread to cows. Such diseases, such as chronic waste disease and bovine tuberculosis, he said, can be fatal. “Disease transmission may be a real issue for Minnesota,” he said.

Ed Boggess, with the Department of Natural Resources, also said the department opposed the bill. Echoing Goldman, he said he had concerns regarding disease transmission between penned animals and wild animals, since the penned animals can escape into the wild. He also said preserves would have an impact on the long term viability of hunting in the state and would hurt conservation efforts as well.

Sen. Jim Vickerman (DFL-Tracy) said an elk farm in his district has a full time veterinarian and uses no animals unless they are absolutely disease free. He said preserves would be good for rural Minnesota, where people are struggling to find ways to make money, and if people wanted to spend that much money to hunt it shouldn't be a problem.

Sen. Chuck Fowler (DFL-Fairmont) said the size minimum of 320 acres is too small and that it could represent a safety hazard in his district. He also said, as a hunter and a sportsman, he is opposed to a hunting preserve as proposed in the bill. However, the bill was approved and referred to the Environment and Natural Resources Committee.

Sen. Edward Oliver (R-Deephaven) carried a bill, S.F. 3201, that creates a legislative task force to study a potential new design for the state flag. Oliver said the state flag—which has gone through several changes—is too complex and needs to be reviewed. He said he had always thought the that the current flag, designed in 1957, was nondescript, and that good flags can be seen on such things as advertisements, license plates and road signs. He said the task force will cost between \$500 and \$1,000. The bill was approved and referred to the State and Local Government Operation Committee.

Sen. Bob Lessard (IND-Int'l. Falls) authored S.F. 3145, which amends the Minnesota Code of Military Justice. The code governs Minnesota National Guard members when not in federal active service. The bill basically conforms the

code to changes in the federal Uniform Code of Military Justice and to Minnesota criminal law and procedures, he said. The bill also repeals language dealing with procedural aspects of military justice, which the Department of Military Affairs intends to shift to administrative rule, consistent with current civilian and military practice. The bill was approved and re-referred to the Finance Committee.

Lessard also carried S.F. 3284, which makes two Minnesota Congressional Medal of Honor recipient eligible for state paid life, hospital, medical and dental insurance. According to Lessard, the 2 award winners are both over 80 years of age and currently have no close access to veterans hospitals. "This shows our appreciation for their heroism by providing the health care that they deserve," he said. The bill was approved and re-referred to the Finance Committee.

Murphy authored S.F. 3068, which provides certain protections under the Soldiers and Sailors Civil Relief Act of 1940 to all persons called or ordered to active service. Johnson offered an amendment that provides those in the Minnesota National Guard or any other military reserve component who are students at a post secondary education institution and who are called to active service with certain rights and protections as well. The bill was approved and sent to the Senate floor.

Sen. Jane Krentz (DFL-May Township) authored S.F. 3192, which provides for agriculture and pollution control, terrorist activity prevention and response and investigation policies. The bill allows an embargo to be placed on an area of the state limiting food or consumer commodity movement into or out of the embargoed area in the event of an emergency. The bill establishes quarantine zones and requires a zone for "humans, machinery, and personal property, excluding livestock products" to be limited to infected premises. The bill was approved and re-referred to the Environment and Natural Resources Committee.

Commerce

Predatory lending discussed

The Commerce Committee convened Fri., Feb 15, to discuss two bills regarding credit unions and predatory lending. Sen. Linda Scheid (DFL-Brooklyn Park), vice-chair, presided. Sen. Don Samuelson (DFL-

Brainerd) carried S.F. 2650, a bill that amends the state charter for credit unions to replicate the regulations of federally chartered credit unions. Samuelson said the bill is needed because a significant number of state chartered credit unions have switched to the less restrictive federal charter, consequently robbing the state of sales tax revenue. "Minnesota can retain that lost income if the law is changed," said Samuelson. Bill Raker, president of the U.S. Federal Credit Union, said many credit unions have made the switch for the tax advantages, as well as for the expanded ability to interact with its membership. Lobbyist Jim Genia described the particulars in the bill, explaining the bill had been drastically reduced in scope. Genia emphasized the bill did not go beyond what federal charters are allowed.

When asked why any credit union would select a state charter when it could avoid sales taxes with a federal charter, Del Provost from the Members Cooperative Credit Union said it is nice to have regulators nearby and that sales tax is a small price to pay for the convenience. Department of Commerce Commissioner Jim Bernstein said the department had no opposition to the bill.

In opposition to the bill, Jerry Schoenfeld from the Independent Community Bankers of Minnesota said the bill tilts competition in favor of credit unions over small community banks. John Corbid of the Minnesota Savings League said his organization worries about credit union expansion. "Credit unions have become powerful financial institutions without the hassle of paying taxes," Corbid said.

The bill was recommended to pass and referred to the floor.

Sen. Sandra Pappas (DFL-St. Paul) carried S.F. 3030, a bill that seeks to curb what she called the worst in predatory lending practices. Pappas said the bill eliminates four predatory practices; lending to people who cannot pay, repeated refinancings, making loans where payments do not cover interest costs, and switching borrowers to high interest rates. "Reputable banks have nothing to fear from this legislation," Pappas said, "The law protects more consumers, sets clear standards against lending without the ability to pay, and adds more protections than federal law." Bernstein added that predatory lending is currently not illegal in Minnesota. "The bill is about fairness," Bernstein said, "I'm disappointed that

banks oppose the bill." Assistant Attorney General Prentiss Cox said the bill was "an important, yet modest first step."

Among those providing testimony in favor of the bill, Shada Buyobe-Hammond, chair of the Minnesota Association of Community Organizations for Reform Now (ACORN) said she has heard from hundreds of victims and that the bill provides basic protections from the worst abuses. "People are getting robbed, and until we get better laws, they will keep getting robbed," said Buyobe-Hammond. Josh Baker spoke of his victimization by a mortgage lender he found on the Internet.

Speaking against the bill, Dan Hardy from the Mortgage Bankers Association (MBA) of Minnesota said, while the bill represents a good faith effort to address unscrupulous practices, it doesn't represent the banking industry consensus and may have unintended consequences. Hardy said some community non-profit organizations are concerned about the bill's impact on the ability to provide assistance to low-income consumers. MBA legal counsel Joe Witt said his organization is 100 percent opposed to predatory lending, but could not support the bill.

Due to time constraints, the bill was referred to the Commerce Subcommittee on Banking for further discussion.

Do-not-call list okayed

Members of the Commerce Committee approved several bills, at their meeting Wed., Feb. 20, including legislation creating a statewide do-not-call list for telemarketers. Sen. Roger Moe (DFL-Erskine) said the bill, sponsored by Sen. Richard Cohen (DFL-St. Paul), addresses concerns from the general public about an increase in unsolicited phone calls at home. Moe said there are special concerns about senior citizens, who may be targeted by some telemarketers. A recent survey, he said, showed that about 75 percent of Minnesotans say they get at least one unsolicited phone call each week. The bill provides for a do-not-call list, maintained by the Department of Commerce, for which telemarketers will have to pay a fee every six months. Consumers may be put on the list, under the bill, by contacting the department.

Several Senators and industry representatives raised concerns about specific professional practices and the effect of the bill on those practices. Sen. Deanna Wiener (DFL-Eagan) said the bill prevents

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realtors from calling referrals, since the realtor does not have a prior relationship with the referred possible client. Sen. Bob Kierlin (R-Winona) said stock brokers will be able to skirt the legislation because they are not selling anything when calling possible clients, but merely seeking to establish a business relationship. Representatives of the Minnesota Chamber of Commerce and Minnesota Retailers Association said their groups had concerns as well. Moe said proponents of the bill would meet with interested parties to address those concerns. The bill was approved and re-referred to the Telecommunications, Energy and Utilities Committee.

The committee also approved two bills relating to liquor regulation. S.F. 2739, the omnibus liquor bill carried by Sen. James Metzen (DFL-South St. Paul), provides for additional liquor licenses for Proctor, Albert Lea, Eden Prairie, Brainerd and West St. Paul. The bill also clarifies existing regulations about siting intoxicating liquor establishments at a minimum distance from state universities. Members adopted an amendment to the bill, offered by Sen. Sandra Pappas (DFL-St. Paul), allowing hotels to operate so-called "minibars" in hotel rooms without violating state laws prohibiting the sale of alcohol after 1 a.m. The omnibus liquor bill was approved and sent to the floor.

In an effort to address competitiveness issues for the major convention centers in the state, Sen. Linda Higgins (DFL-Mpls.) carried S.F. 709. The bill allows the cities of Minneapolis, St. Paul and Duluth to adopt ordinances allowing hotels with on-sale liquor licenses to serve alcohol until 2 a.m. Monday through Friday and 2:30 a.m. on Saturday and Sunday. Greg Ortale, president of the Greater Minneapolis Convention and Visitors Association, said the bill is not for local residents, but for conventioners and business travelers. All of the states that compete with this area for convention business, he said, have later closing times for hotel bars.

Jim Farrell, Minnesota Licensed Beverage Association, said his organization opposes the bill. He said people will drive into the central cities to drink at hotels. Farrell said he prefers a blanket extension to 2 a.m. across the state. Sen. Mady Reiter (R-Shoreview) offered an amendment extending authorized sale hours to 2 a.m. After several Senators raised concerns about the amendment, Reiter withdrew it. The bill was advanced to the floor.

The committee considered two bills updating the Minnesota Electrical Act. S.F. 2150, carried by Sen. Dan Stevens (R-Mora), was approved by the panel last year but returned to the committee during the interim under Senate procedural rules. Stevens said language in the bill was agreed upon after conversations with several interested parties. However, he said, last year several union groups raised further concerns with the legislation. Stevens and proponents of S.F. 2150, he said, agreed to work with the unions during the interim to reach a compromise.

Sen. Don Samuelson (DFL-Brainerd) said he was not involved in the issue last year, but was approached to carry S.F. 3193, the legislation crafted by the unions. Jim Wagner, representing the unions, said he was not present for the hearings last year, but that he was told his first mission was to organize the unions' stances and craft a compromise between about five different union groups.

S.F. 2150 was advanced to the floor. S.F. 3193 was re-referred to the State and Local Government Operations Committee.

In other action, the committee also approved S.F. 3030, the Responsible Lending Act. Carried by Pappas, the bill was amended after negotiations resulting from concerns raised at a previous committee hearing. The bill was re-referred to the Judiciary Committee. A bill requiring an annual report, to the beneficiary, on the value of deposited funds in funeral trust accounts was also approved. S.F. 3080, carried by Sen. Ann Rest (DFL-New Hope), was sent to the floor.

Crime Prevention

Felon gun ownership banned

A bill to prohibit violent offenders from owning firearms was debated in the Crime Prevention hearing Fri., Feb. 15. The bill, S.F. 2905, sponsored by Sen. Satveer Chaudhary (DFL-Fridley), specifies that individuals who have been convicted of violent felony offenses may be banned from owning firearms for life. Chaudhary said, "The bill was inspired by a horrific incident last summer in Columbia Heights in which an individual engaged in a shooting spree that endangered the lives of police and citizens in the neighborhood." Chaudhary said the individual had been convicted and served a sentence for a violent crime, but was allowed to own firearms under Minnesota

law. Current law, he said, allows individuals to own guns 10 years after they have finished their sentences. "Minnesota is an island of leniency in allowing gun ownership by convicted felons," Chaudhary said.

Members adopted an amendment, offered by Chaudhary, that provides for judicial restoration of the right to own firearms. Chaudhary also offered a technical amendment to provide that expunging the record of a conviction must provide that the person is not entitled to ship, transport, possess, or receive a firearm for the remainder of the person's life.

Debate on the measure centered on the level of the criminal conviction that would lead to a lifetime prohibition on gun ownership. The bill specifies that a person who is convicted of a crime of violence is prohibited from gun ownership for the remainder of the person's lifetime. Several members indicated that "crime of violence" includes some offenses that are not felonies. Anoka County Attorney Robert Johnson said that by making the prohibition so broad, prosecutors and defense attorneys could find themselves "twisting and turning our process" in order to avoid collateral consequences that are too severe. Johnson said that he supported the ban for felony crime-of-violence offenders, but argued for the ability to use discretion in some cases. Sen. Thomas Neville (R-Northfield) offered an amendment limiting the lifetime prohibition to felony crimes of violence, but retaining the current 10-year ban for other offenses. The amendment was adopted. Committee Chair Jane Ranum (DFL-Mpls.) said that the bill did not include any criteria that judges might use in restoring the right to own a firearm, nor did the bill contain language relating to the collection of data. Ranum said that she would be offering an amendment to include such language at a later date. The bill was then approved and advanced to the full Senate.

In other action, the panel approved four additional bills. S.F. 2533, carried by Sen. Leo Foley (DFL-Coon Rapids), clarifies that a county board may require that an offender convicted of a crime and confined in the county jail, workhouse or correctional or work farm pay the cost of the offender's room, board, clothing, medical, dental, and other correctional services. The measure, which had been before the panel earlier, was amended to

clarify how the costs may be collected, provide for waiver of the costs if the costs would create undue hardship, and clarify that the offender must pay court ordered restitution before paying the correctional agency costs.

The bill was approved and advanced to the full Senate.

S.F. 2949, sponsored by Sen. Don Betzold (DFL-Fridley), modifies procedures for criminal history background checks to conform with federal statutes. The bill modifies the procedures for school bus driver background checks, authorizes criminal history checks for liquor license applicants and clarifies the state and federal criminal history background check procedures for conditional employees of licensed private detectives or

protective agents. The measure was approved and re-referred to the Judiciary Committee.

Ranum sponsored the final two bills considered by the panel. S.F. 3020 requires 90-month presumptive executed sentences for persons convicted of second degree criminal sexual conduct offenses. S.F. 3019 expands those persons who are required to register as predatory offenders for their lifetimes after a second conviction to those who would have been required to register prior to the effective date of the registration law.

Ranum said the bill is needed to conform with federal requirements in order to maintain a federal grant. Both bills were approved and advanced to the Senate floor.

Crime bills advance

The Crime Prevention Committee, chaired by Sen. Jane Ranum (DFL-Mpls.), met Wed., Feb. 20, and made short work of six bills on the agenda. Members approved a bill, S.F. 3172, sponsored by Sen. David Knutson (R-Burnsville), requiring a ten-year conditional release period when a person has a previous sex offense conviction, regardless of the state in which the conviction occurred. The measure also defines aggravated harassing conduct to include acts of criminal sexual conduct as predicate offenses for a pattern of harassing conduct and makes it a ten-year felony when a person commits certain prohibited acts when the act is committed with sexual or aggressive intent. The bill was sent to the full Senate.



Columbia Heights police officer Michael McGee shares his ordeal of being shot by a crazed gunman last July 17 with members of the Crime Prevention Committee Fri., Feb. 15. Sen. Satveer Chaudhary (DFL-Fridley), right, presented a bill prohibiting felons from gun ownership.

Photo by David J. Oakes

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Members also considered two bills sponsored by Sen. Grace Schwab (R-Albert Lea). S.F. 3157 imposes criminal penalties for failing to yield the right of way. Ray Egan, executive director of the Minnesota Motorcycle Riders Association, said the bill is needed to deal with negligent drivers who kill or injure vulnerable road users such as motorcyclists and bicyclists. Committee members, though, said the bill did not specify intent or negligence. Sen. Thomas Neuville (R-Northfield) said sometimes tragedies result from accidents, but that should not rise to the level of a felony. Members took no action on the bill.

The second measure Schwab sponsored, S.F. 3109, permits municipal police departments to use black patrol vehicles. Currently, colors are limited to blue, brown, green or white. The bill was recommended for placement on the Consent Calendar.

Members also approved a bill that clarifies the hunting while intoxicated law. S.F. 2678, sponsored by Sen. Linda Higgins specifies that anyone possessing a loaded firearm in the field while intoxicated may be charged under the hunting while intoxicated law.

In addition, the bill clarifies the DWI statute by specifying that driving a motorboat or off-road vehicle with a passenger under the age of 16 is an aggravating factor under the DWI laws. The measure was approved and sent to the full Senate.

The panel also approved, and advanced to the floor, a Dept. of Corrections housekeeping bill. S.F. 2989, sponsored by Sen. David Johnson (DFL-Bloomington), authorizes sex offender treatment providers to collect treatment co-payments from offenders, allows an independent, contracted, board-certified forensic pathologist to sign the death certificate on incarcerated deaths and clarifies the mandatory sentences for DWI offenders.

The last bill considered, S.F. 2638, sponsored by Sen. Leo Foley (DFL-Coon Rapids), provides that whoever employs runners to procure clients under circumstances involving motor vehicle insurance is guilty of a felony. The bill, which had been heard at a previous hearing, was amended to clarify the definition of "runner" and the definition of "public media" in the bill. The bill was approved and sent to the Senate floor.

Education

Three bills advance

The Education Committee met Mon., Feb. 18, to hear testimony regarding four bills. S.F. 2488, carried by Sen. Cal Larson (R-Fergus Falls), is a bill that amends the Minnesota Constitution to allow the governor to select members for the Board of Regents of the University of Minnesota. Larson said the current system of regent selection by a joint decision of the House and Senate members is unwieldy and that the vast majority of states rely solely on the governor for appointments. He added the bill does require Senate advice and consent on the appointments. Sen. David Tomassoni (DFL-Chisholm) offered an amendment that split the selection authority equally between the governor, Senate Majority Leader, and House Speaker. Sen. Jane Krentz (DFL-May Township) said the amendment would make the process cumbersome. Tomassoni withdrew the amendment. The bill was approved with a recommendation to pass and re-referred to the Rules and Administration Committee.

Sen. Martha Robertson (R-Minnetonka) sponsored S.F. 2828, a bill that corrects an unintended consequence in previous legislation that prevents Minnesota State Colleges and Universities (MnSCU) from entering into a cooperative use property agreement with an intermediate school district. The bill simply removes a 10-year limitation clause. The bill was recommended to pass and be placed on the Consent Calendar. Sen. Charles Berg (R-Chokio) carried S.F. 2573, a bill that allows schools in Browns Valley to start as early as August 27 to accommodate Browns Valley high school students enrolled in school in Sisseton, South Dakota and Sisseton elementary students enrolled in school in Browns Valley. Berg said the law simply allows the school to open at the same time schools open in South Dakota. The bill was approved with a recommendation to pass and be placed on the Consent Calendar.

Sen. Sandra Pappas (DFL-St. Paul) carried S.F. 3027, a bill that allows undocumented noncitizens to qualify for in-state tuition at state higher education institutions. High school student David Juarez said because he was brought here illegally at the age of two by his parents, he cannot apply for financial aid nor qualify for in-state tuition at state institutions,

making it impossible to continue his education. Attorney Dan Palmquist said many undocumented students have spent most of their lives in the state, but were brought here at a young age by their parents, thus do not have the option of becoming legal. He said that Texas and California have provisions that allow in-state tuition for undocumented students, but said the state laws challenge a federal statute that states if undocumented students get in-state tuition, then any U.S. citizen is eligible for the same tuition in that state. "It makes good public policy to say that we value those who live in the state," Palmquist said, "It's unconstitutional for the federal government to dictate what states decide to do. Pappas laid the bill over.

Education bills debated

The Education Committee met Wed., Feb. 20, for a marathon session to discuss a variety of proposed education bills.

Sen. Martha Robertson (R-Minnetonka) carried S.F. 2986, a bill that requires school districts to submit the standardized Minnesota school boards association teacher settlement summarization sheet within 30 days of the date of settlement. The bill was approved and recommended for placement on the Consent Calendar.

Sen. Becky Lourey (DFL-Kerrick) carried the Department of Children, Families and Learning (CFL) early education policy bill, S.F. 2725. CFL Assistant Commissioner Karen Carlson described two technical amendments and said the bill primarily removes obsolete language and makes technical, clarifying and conforming changes. The measure was referred to the E-12 Budget Division for possible inclusion in the division's omnibus bill.

Sen. Steve Kelley (DFL-Hopkins) carried S.F. 2894, a bill that makes it easier for school districts to form charter schools. Kelley said the bill lays out a pathway for district teachers who seek to start a charter school, allows sponsoring school boards to select up to two members of the charter schools board, and requires sponsoring districts to provide facilities for the charter school. Charter schools must reimburse districts for the space, Kelley said, and charter schools can only apply for lease aid when the sponsoring district lacks adequate space. Sen. Sandra Pappas (DFL-St. Paul) offered an amendment that deletes a

provision that mandates a majority of members on a charter school board be teachers, but withdrew the amendment after Kelley suggested an additional change. The measure was also sent to the E-12 Education Budget Division for possible inclusion in an omnibus bill.

Kelley also carried S.F. 3094, a bill that authorizes the city of St. Paul to sponsor a performing arts charter school. Speaking on behalf of the bill, St. Paul Mayor Randy Kelly said the bill provides parents, students and teachers another educational choice in the city. Among others speaking in favor of the bill was Humanities Commission President Stanley Romanstein, who, through his work as the head of a performing arts high school in Baltimore, said he has seen first-hand the transformative power of such schools. Kelly said the city wants to place the school downtown and that there has been no opposition from school officials. The bill referred to the E-12 Education Budget Division for possible inclusion in an omnibus bill.

Sen. Leonard Price (DFL-Woodbury) sponsored S.F. 357, a bill that provides for the classification and dissemination of educational data. Price said the same bill was passed last year. The bill was recommended to pass and sent to the floor. Sen. Charles Wiger (DFL-North St. Paul) carried S.F. 2430, a bill that allows University of Minnesota and Minnesota State Colleges and Universities system students to rent education materials they are presently forced to purchase. Wiger said under the bill students will save up to 80 percent in textbook expenses. The bill was also approved and sent to the floor.

Pappas carried S.F. 3187, a bill that repeals unneeded and obsolete education provisions. Sen. David Tomassoni (DFL-Chisholm) offered an amendment that removes a prohibition against advertising on school buses. He said that because of the budget crunches the facing schools, it wasn't fair to remove a source of revenue. The amendment was adopted and the bill was referred the floor.

Sen. Kenric Scheevel (R-Preston) carried S.F. 2931, a bill that delays the use of the test of emerging academic English (TEAE) to identify limited English pupils until the 2005-2006 school year. Among those testifying in support of the bill, teacher Paul Tronnes said the TEAE test measures progress for English as a second language (ESL) students, but isn't success-

ful for determining if students are ready for normal classwork. And amendment was adopted that delays the test only until 2003-2004 and creates a technical advisory committee to assess the effectiveness of the test. The bill was referred to the E-12 Education Budget Division for possible inclusion in an omnibus bill. Members also approved the noncontroversial portions of S.F. 2736, the CFL administrative policy bill, sponsored by Pappas. The entire bill was then referred to the E-12 Education Budget Division for possible inclusion in an omnibus bill.

Sen. Anthony "Tony" Kinkel (DFL-Park Rapids) carried S.F. 2733, a bill that only allows a post-secondary enrollment options (PSEO) student to take physical education classes at the post-secondary school if the student is currently taking another course. The bill was recommended to pass and referred to the Education Budget Division for possible inclusion in an omnibus bill. Sen. Warren Limmer (R-Maple Grove) carried S.F. 2982, a bill that decreases the length of the school year by three days. An amendment was adopted that requires districts to publish a conspicuous notice in the official district newspaper regarding all school closings. The bill was approved and sent to the E-12 Education Budget Division for possible inclusion in an omnibus bill.

Sen. Michele Bachmann (R-Stillwater) sponsored S.F. 2902, the American Heritage Education Act, a bill that requires districts to develop and establish a policy for grade-level instruction to insure student familiarity with the founding documents of the U.S. Kelley offered an amendment that deleted much of the original language of the bill and replaced it with broader categories of study for American History. After a period of discussion, the amendment was adopted. Bachmann consequently withdrew the bill.

Pappas carried a bill, S.F. 3027, that allows undocumented students to qualify for in-state tuition at state post-secondary schools. The bill was referred to the Higher Education Budget Division. Pappas also carried a bill, S.F. 2755, requiring all nonpublic schools to provide notice of equal transportation in a timely manner. Parent Michelle Gran said many parents of children at nonpublic schools are unaware of the equal transportation provisions. An amendment was adopted that specified the notification be in writing. The bill was referred to the E-12 Education Budget

Division for possible inclusion in an omnibus bill.

Tomassoni carried S.F. 3181, a bill that allows the Minnesota State High School League (MSHSL) to enter into corporate sponsorships. Roger Aronson from MSHSL said the bill allows the league to obtain official equipment sponsors for state tournaments, but absolutely does not require students to wear clothing from a particular company. Two amendments were adopted. One amendment restricts corporate partnerships to tournament activities and the other amendment prohibits the MSHSL from using revenue from the agreements to supplement its operational budget. The bill was recommended to pass and sent to the floor.

Sen. Richard Cohen (DFL-St. Paul) carried a bill, S.F. 3245, authorizing the creation of a library agency in the city of St. Paul. City Council Member Pat Harris said the bill is the result of a city library task force decision to take another approach to funding the city's libraries. Harris said the bill allows for greater financial accountability, a focus on library issues, and enhanced participation by the private sector. The bill was recommended to pass and sent to the Tax Committee.

Sen. Ann Rest (DFL-New Hope) carried a bill, S.F. 3230, that establishes a task force to examine and make recommendations to the governor about eliminating youth violence and discrimination. Rest laid the bill aside and said she planned to offer it as an amendment to the next bill. S.F. 2519, authored by Sen. Julie Sabo (DFL-Mpls.), directs school boards to adopt a policy on student-on-student abuse that is consistent with existing related policies. Former CFL Commissioner Bob Wedl spoke of the need for such policies and clarified that the bill seeks to address sexual abuse. An amendment was adopted that inserted "sexual" in front of abuse in several places in the bill. Meeks said this is a serious issue, but cautioned the committee about the types of behavior that would be criminalized under the statutes. He suggested the committee narrow down the provisions to exclude the least offensive behavior that is still considered sexual abuse. An amendment was adopted that incorporated S.F. 3230 into the bill. The measure was approved as amended and referred to the State and Local Government Operations Committee.

Committee update

Higher Education Budget Division

Required reports submitted

The Higher Education Budget Division met Mon., Feb. 18, to hear required reports from representatives of the University of Minnesota and its Extension Service. Frank Cerra, senior vice president for Health Sciences for the University of Minnesota explained the accountability report for the Academic Health Center. He said a \$5.6 million appropriation from the state medical endowment fund addressed four center priorities; stabilizing the funding of core medical school educational programs and maintaining current enrollments of primary care physicians and specialists, rebuilding medical school faculty, developing interdisciplinary and community-based educational programs, and addressing the state's health care workforce needs. The center has also created innovative programs to meet the needs of the state's changing racial and ethnic communities, Cerra said.

Robert Bruininks, executive vice president and provost, described the academic priorities section of the report. He said that improving the quality of undergraduate education has been a major priority over the last several years. He said it was impossible to identify the top five undergraduate programs as requested because of the interconnectedness of many programs, so he listed 7 priority clusters that represent over 80 percent of all degrees conferred. Regarding reallocation, Bruininks said \$97 million over the past four years has been reduced or internally distributed to reflect the system's priorities. While 13.4 percent of students described themselves as first-generation college students, he said, 46.6 percent of students of color described themselves in that manner. Because of the strong correlation between students of color and first-generation students, the school will continue its broad strategy to recruit students of color, he said. Bruininks said student retention is one of the school's most important priorities, and while graduation rates have improved in recent years, they remain too low.

Peter Zetterberg, senior analyst of institutional research and reporting, explained the accountability section of the report by describing several appendices relating to the University's appropriation

allocations, tuition rates and course fees. If the state appropriation is compared to education and general revenues, he said, for every \$1 the state contributed, \$2 was raised from other sources. However, if you look at total economic impact, \$2.29 was raised from other sources from the same \$1 state investment, he said.

Charles Casey, dean and director of Extension Service, said that Extension carries out its mission in three areas; via community development and vitality, by promoting the use of agriculture and natural resources to meet the current and future needs of society, and through youth development and family living programs.

Environment and Natural Resources

Lawn fertilizer restriction okayed

The Environment and Natural Resources Committee voted to restrict the phosphorous content in law fertilizer when the members met Thurs., Feb. 14.

Sen. Linda Higgins (DFL-Mpls), who brought the phosphorous measure before the committee, said the bill lowers the acceptable amount of phosphors in lawn fertilizers to 0 percent in the Metro Area and 3 percent in Greater Minnesota. The measure excludes fertilizers for agricultural fields, new lawns and golf courses from the restriction. The bill also exempts lawns that have been tested and proven to need additional phosphorous due to mineral deficiencies in the dirt.

Many witnesses testified to the difficulty in controlling the growth of algae in lakes because of the use of phosphorous as a lawn fertilizer. "We don't need phosphorous," said Dean Barkley, "Why do we allow it if it's not necessary and it hurts our lakes and costs a fortune to clean-up?" He said Medicine Lake, on which he lives, required \$12 million to clear it of algae. John Barten, from the Hennepin Parks Board, said it costs \$375 dollars to remove a single pound of phosphorous from a lake.

Sen. Steve Dille (R-Dassel) said that according to a study conducted at the University of Pennsylvania, only 20 percent of phosphorous in runoff comes from fertilizers; much more comes from dish detergent. Barton said the study was conducted under unrealistic conditions on dirt in concrete boxes, instead of on actual lawns near lakes. Sen. Ellen Anderson

(DFL-St. Paul) said the committee should consider banning phosphorous in dish detergent as well, since it was already prohibited in liquid dish soap.

Sen. Jane Krentz (DFL-May Township), committee chair, said the bill should go farther to limit the sale of lawn fertilizer, but understood that in some special circumstances phosphorus is needed on lawns. The committee approved the measure and sent it to the Agriculture, General Legislation and Veterans Affairs Committee.

Sen. Mee Moua (DFL-St. Paul) presented S.F. 2875, which establishes an environmental sustainability policy for the state. She said, "The bill is a common-sense collaborative solution that takes into account environmental, economical and social issues when dealing with the environment." The bill defines sustainability as "the use, development, and protection of resources at a rate and in a manner that enables people to meet their current needs and also provides that future generations can meet their own needs."

The bill requires the state to pursue sustainable management of resources, promote the use of resources to meet current needs without compromising future needs, encourage cooperation between public and private sectors in the development of sustainable products and practices, and attain sustainability by 2025.

The measure also sets up the Minnesota Green Government Council, consisting of 15 representatives from government, schools, industry and cities, to develop goals and approve "green plans," submitted by government agencies.

The committee moved the bill on to the State and Local Government Operations Committee for further discussion.

The committee also approved S.F. 2933, authored by Sen. Anthony "Tony" Kinkel (DFL-Park Rapids). The bill states that any sewage treatment system may be installed if the manufacturer was designated by the Minnesota Pollution Control Agency (MPCA) as a warrantied system as of June 30, 2001, the majority of the systems previously installed are under normal use, and the systems are warrantied for five years. The measure also requires the manufacturer to pay the MPCA \$1,000 to review the proof it provides. The bill, said Lisa Thorvig from the MPCA, is necessary because the agency is no longer required to review new technology due to

cuts in programs last year. She said the MPCA and the manufactures of certain ISTS systems had worked out the agreement so the ISTS companies could get approval without overburdening the agency. The bill was okayed and re-referred to the Finance Committee.

The fourth and final bill the members recommended to pass was S.F. 2575, authored by Sen. Leonard Price (DFL-Woodbury). The bill indemnifies local governments operating hazardous waste management programs. The bill specifies that local government's right to indemnity is not a waiver of the limitations, defenses, and immunities available to either the local government or the state by law.

WIF changes approved

The Wastewater Infrastructure Fund (WIF), which is used to finance the development of sewers across the state, is modified in several ways under a measure okayed by the Environment and Natural Resources Committee, when the group met Tue., Feb. 19.

The bill that makes the WIF changes, authored by Sen. Dennis Frederickson (R-New Ulm), is based upon the recommendations from the Public Facilities Authority (PFA). Terry Kuhlman from the PFA said one of the greatest changes is that, under the bill, WIF assistance is given to cover the project costs that exceed 10 percent of an area's property values, instead of 10 percent of a community's median income, which had previously been the standard. Kuhlman said the change is needed because the census data on median household incomes is now 10 years old.

Sen. Pat Pariseau (R-Farmington) said that the value difference between residential and farm land might skew the PFA's formula. Kuhlman said that because the new formula would not apply to rural development WIF grants, most standard WIF program grants will not be affected by the value of farm land. Senators Jim Vickerman (DFL-Tracy) and Anthony "Tony" Kinkel (R-Park Rapids) said the new formula might result in misrepresentation of the wealth of people living on lake property, which has significantly increased in value over the past ten years. Kuhlman said the value of the lakeshore property is more closely proportional to the increased cost of putting in sewers near lakes, than the incomes of people who live on lakes.

Another major change in WIF policy created by the measure, S.F. 3177, is the shift from grants to 0 percent loans to fund non-rural development WIF projects. Kuhlman said the use of loans and the establishment of a WIF revolving fund will help communities finance needed improvements without creating an incentive for over-design.

The WIF measure, which included several other modifications, was approved by the committee and re-referred to the Finance Committee.

Sen. Ellen Anderson (DFL-St. Paul) brought before the committee a bill, which she called the first attempt to limit persistent bioaccumulative toxins (PBTs) in Minnesota. PBTs, she said, are cancer causing pollutants such as mercury and dioxin. The measure, S.F. 2311, limits a major source of PBTs, she said, by restricting the use of burn barrels to dispose of garbage on farms. The bill exempts farms where regularly scheduled pickup of solid waste is not available and that have been given permission by county boards to burn garbage. Anderson said that by allowing the county board to permit burning, the bill maintains and preserves local authority.

Paula Maccabee from the Sierra Club said the measure will help farmers to control the quality of beef. She said beef is currently the greatest source of ingested dioxins and farmers are helpless to improve the quality of their meat if their neighbors choose to burn their garbage. She also said burning garbage, according to the Minnesota Dept. of Commerce, emits as much dioxin as the equivalent of 80,000 to 160,000 municipal waste combustors.

The members voted to approve the bill and re-referred the measure to the Agriculture, General Legislation and Veterans' Affairs Committee.

Sen. David Tomassoni (DFL-Chisholm) brought a measure to the committee that requires snowmobiles to have auxiliary lights. Al Lakoskey, from Snow Glow, Inc., said the lights are needed because currently most snowmobiles only have lights that stay on only when the key is in the ignition, making it impossible to leave the lights on when the snowmobile has to be left in an emergency. No snowmobile manufacturers currently puts safety lights on snowmobiles, he said.

Sen. Steve Dille (R-Dassel) said the bill seemed to be an effort by Snow Glow,

which makes safety auxiliary lights, to increase its sales. Tomassoni said safety lights are mandated on cars and trucks and should be on snowmobiles as well.

Bert McKasy representing Arctic Cat, a snowmobile manufacturer, said that his company only sold 80 auxiliary lighting systems last year. The committee set the bill aside for more discussion later.

Tomassoni also presented a bill, S.F. 3054, that extends the deadline for contractors applying for reimbursements from the petrofund. "It allows people who did work in a timely manner, but didn't do the paper work in a timely manner, to be reimbursed for the work they did," he said. The committee endorsed the bill and moved it to the Finance Committee.

The members also approved a measure presented by Sen. Yvonne Prettner Solon (DFL-Duluth). The bill allows the West Lake Superior Sanitary District to be considered for MMSW payments. She said the sanitary district has not been eligible for payments because it is not considered a county, even though the counties in the district are not qualified to receive the payments. The measure, authored by Sen. Douglas Johnson (DFL-Tower), was advanced to the floor.

Sen. Kenric Scheevel (R-Preston) offered a bill that limits the prohibition on the release of dangerous chemicals into the water supply if it is caused by "an act of God." He said the bill is needed to limit the liability of farmers who apply fertilizers but have their field washed out shortly thereafter by a sudden storm. Duane Johnson, Douglas County feedlot officer, said that the bill is needed to clarify the very ambiguous situations that occur when pollutants enter the water supply even when farmers do everything within their power to prevent it.

The bill also prohibits the construction or use of new open air swine basins, but exempts facilities using basins of less than 1 million gallons as part of a permitted water treatment program for resolving pollution problems. The bill was laid over for more consideration.

Finance

Bonding bill okayed

When the Finance Committee convened Thurs., Feb. 14, the members approved what will be the state's largest bonding bill ever if the measure becomes law.

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“The bill is larger than normal,” the bill’s author Sen. Keith Langseth (DFL-Glyndon) said, “because of its economic stimulus element. It’s the best time to bond. Interest rates for the state are only about 4 percent.” The bill’s final cost of \$1.12 billion exceeds the governor’s recommendation of \$854 million.

The measure, he said, funds 100 percent of the University of Minnesota and the Minnesota State Colleges and Universities bonding requests. The majority of the higher education spending is for asset preservation and repairs. The bill includes \$25 million for a new laboratory at the University of Duluth and \$30 million for a new science building the Minnesota State University in Winona.

The second largest category of bonding appropriates is the Department of Natural Resources, which receives \$32 million for state park initiatives, \$28.5 million for flood mitigation projects, and funding for other programs.

Projects for the arts are appropriated \$35 million in the bill, \$30 million of which is for the construction of a new Guthrie Theater.

Langseth purposed an amendment that authorizes \$7.8 million of bonding for Minnesota Public Television. The money, he said, is needed to complete the transition to digital television, which is federally mandated. The committee approved the changes and added them to the bill.

Numerous other technical and minor amendments were added to the bill, none of which significantly changed the amount of the appropriation of bonding proceeds. The members recommended the bill to pass and advanced the measure to the floor.

Health and Family Security

Several bills approved

Members of the Health and Family Security Committee, chaired by Sen. Dallas Sams (DFL-Staples), met Mon., Feb. 18, to hear several bills.

Sen. Deanna Wiener (DFL-Eagan) carried S.F. 3005, which describes certain protocols for nurses for administering prescription drugs and vaccines. The bill permits a registered nurse to implement a protocol that does not reference a specific patient and results in the administration of a legend drug, if the protocol has been given by a licensed practitioner, the



Former Minnesota Viking Joe Senser appears before the Health and Family Security Committee Wed., Feb. 20, to voice his opposition to a bill presented by Sen. Jane Ranum (DFL-Mpls.), right, intended to place a moratorium on the development of children’s orphanages. Senser has firsthand experience with such institutions as both a child at and manager of the Milton Hershey School in Hershey, Pa.

Photo by David J. Oakes

condition of the patient falls within the protocol and the protocol specifies the circumstances under which the drug is to be given. It permits a nurse to implement a protocol that does not reference a specific patient for the administration of a vaccine under the same conditions as the legend drug protocol, with the added condition that the protocol specify the contraindications for giving the vaccine and the conditions under which the vaccine should not be given. The bill was approved and sent to the Senate floor.

Wiener also carried S.F. 3006, which creates a waiver until July 1, 2007, to become certified as an advanced practice registered nurse if the petitioner is a clinical nurse specialist who is academically prepared as a clinical nurse specialist in a specialty area for which there is no certification. The bill also sets criteria for the waiver process and establishes criteria the clinical nurse specialist must meet before a waiver may be granted. The bill

was approved and re-referred to the Finance Committee.

Sen. Bob Lessard (IND-Int’l. Falls) carried S.F. 2768, which makes modifications to the prepaid medical assistance program (PMAP) and the county based purchasing program. The bill adds a county based purchasing entity to the definition of demonstration provider and changes the deadline for which Itasca County can participate as a demonstration provider for PMAP to July 1, 2007.

Kent Peterson, from the Minnesota Department of Health, said the department was opposed to the bill. He said the changes in the bill were unnecessary and had a fiscal impact as well. Karen Campbell, from Itasca County, said current law is a duplicative process that requires unnecessary work. Without the changes in the bill, she said, the county will spend more time on compliance issues, paperwork and reporting, which will involve more staff time. Sen. Sheila Kiscaden (R-

Rochester) moved to delete the section of the bill dealing with rules and enforcement and keep just the section extending the current deadline. Lessard agreed to the move and the amendment was adopted. The bill was approved and sent to the Senate floor.

Sen. Steve Kelley (DFL-Hopkins) carried S.F. 3026, which requires the Board of Medical Practice to regulate interstate telemedicine services. The bill expands the definition of “health record” to include all information created, stored or transmitted during the delivery of telemedicine services and governs registration requirements, amends language defining the unlawful practice of medicine to legalize interstate telemedicine in compliance with the bill. The bill also establishes requirements for physicians from another state providing out of state telemedicine services in Minnesota. Kelley said the bill allows physicians from another state to practice telemedicine in Minnesota without requiring them to obtain a Minnesota license. He said it sets up a relatively easy way to receive access to health care and allows Minnesota to be a model for other states. I think we want to set the model that says instead of being restrictive we should enable things.” he said.

Kiscaden said she had concerns with the definition of telemedicine in the bill. The bill defines telemedicine as being when the “physician is not in the physical presence of the patient.” She said it needed to include a reference to “electronics”, or by definition, a physician could simply be in the next room.

Kelley said another section of the bill requires the physician to be in another state and must not have in office in the state. He also said he didn’t want to be specific about a certain technology in order to keep the clause open for future changes. The bill was approved and sent to the Senate floor.

Kelley also carried S.F. 3025, which modifies registration requirements for speech language pathologists and audiologists whose registrations have lapsed for more than three years.

The bill allows individuals to apply for renewal if “the applicant’s credential from the Minnesota Board of Teaching or another jurisdiction has been held in good standing during the period of three years.” The bill was approved and sent to the Senate floor.

Sen. Dan Stevens (R-Mora) carried S.F. 2865, which changes the expiration date for a temporary occupational therapy license from 10 weeks to 6 months. The bill was approved and sent to the Senate floor.

Sen. Leo Foley (DFL-Coon Rapids) carried S.F. 3124, which modifies a number of provisions in the new nursing facility resident classification system adopted by the 2001 Legislature and scheduled for implementation later this year. The measure modifies the criteria used to determine if a resident is receiving special care, is in a clinically complex status or is exhibiting behavior problems. The bill expands the definition of special care and behavior problems and modifies clinically complex status by adding a number of conditions and deleting others. The bill also changes the manner in which a nursing facility must report its choice of reimbursement option for residents who stay in the facility for less than 14 days and changes the manner in which a facility must report its choice between two options of their case mix classification. Foley offered an amendment dealing with staffing standards, which was adopted. The bill was approved and sent to the Senate floor.

Foley also carried S.F. 3126, which makes a number of technical modifications to the state health care programs. The bill was approved and sent to the Senate floor.

Members also re-referred several bills to the Finance Committee. Because the bills mostly dealt with money issues instead of policy issues, they were not discussed but simply moved on. The bills were: S.F. 2518, carried by Sen. Don Samuelson (DFL-Brainerd), increasing allocations to counties for mentally retarded semi-independent living services; S.F. 2840, carried by Sen. Steve Murphy (DFL-Red Wing), providing for medical assistance hospital payment rate increases; S.F. 3120, carried by Sen. Charles Berg (R-Chokio), providing a medical assistance case mix payment rate increase for the Traverse County nursing facility; S.F. 3180, carried by Sen. Roger Moe (DFL-Erskine), providing for a medical assistance case mix payment rate increase for the Norman County nursing facility; and S.F. 2895, carried by Sen. Dan Stevens (R-Mora), designating nursing facilities as metropolitan facilities for medical assistance reimbursement purposes.

Institution moratorium debated

Members of the Health and Family Security Committee, chaired by Sen. Dallas Sams (DFL-Staples), met Wed., Feb. 20, to hear a bill imposing a moratorium until July 1, 2004, on the establishment, licensure and public financing of large institutions for children. The bill also requires the Department of Human Services to study the needs of children and families and recommend the most appropriate care options for them.

The bill, S.F. 2877, was carried by Sen. Jane Ranum (DFL-Mpls.). Ranum said 2 such facilities were recently built in Minneapolis and in Faribault, and out of 144 available beds in the 2, only 18 are currently filled. As a result, she said the need to build large institutions must be questioned. Ranum also said the state must examine how the needs of homeless children are best met.

“It’s about what’s in the best interest of our children,” she said.

Joe Kroll, executive director of the North American Council on Adoptable Children, said adoption—which is increasing immensely, he said—meets the needs of children much better than does a large institution. He said that 64 percent of all children adopted are adopted by their foster families and 16 percent are adopted by relatives, meaning 80 percent are adopted by people they know. However, large institutions, he said, don’t provide children with the opportunity to get to know adults. He said adoption and guardianship are providing what homeless children need.

Dakota County Community Services Director Dave Rooney echoed Kroll’s sentiments. He said he researched the need after Mary Jo Copeland, of Sharing and Caring Hands in Minneapolis, proposed building a large institution—called Mary’s Children’s Home—of 200 beds in Eagan. After consulting with several counties, he said, he found there was “little need” for alternative care.

“It is very unlikely that Minnesota alone would need 200 beds,” he said. “There were serious questions about the need.”

Joe Senser, a former Minnesota Viking, who grew up in a children’s home in Pennsylvania, testified against the bill. He said facilities like the proposed Mary’s Home are needed, as Sharing and Caring Hands serves meals to 800 people—including 200 children—every day. He also

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said that it is difficult to place siblings into foster care, and if placed, they are often split up.

"I would love to be able to sit here and tell you there's not a need, but there is," he said. "There are kids who need the care."

Sen. Twyla Ring (DFL-North Branch) said she didn't see a moratorium as any danger to the work of Copeland. She said some time needed to be taken to look at the problem and see what works best.

"As a state, we have to step back and take a broader look at what's going on in our system," she said. "I really feel it won't hurt—and it might help—to take a longer look and take a total look at the broader picture."

The bill was approved and sent to the Senate floor by a vote of 7 to 4.

Sen. Linda Higgins (DFL-Mpls.) authored S.F. 2625, which authorizes collaborative reproduction agreements and embryo agreements. The bill requires the gestational or surrogate carrier to receive counseling before providing her services, requires an evaluation of the intended parent(s) by a counselor, authorizes compensation for a donor and requires an embryo transfer agreement and collaborative reproduction agreement between all participants.

Attorney Steve Snyder testified in favor of the bill. He said the practices outlined in the bill are already going on, but with no guidelines. The bill, he said establishes those guidelines.

Sen. Sheila Kiscaden (R-Rochester) said she was concerned with the section of the bill allowing donors to receive "reasonable compensation" for their efforts. She said the language was too vague and offered an amendment allowing the donor, or gestational or surrogate carrier to receive payments for reasonable counseling, medical and legal fees, transportation, meals and lodging accumulated in order to receive counseling, medical and legal services. It allows payment for reasonable living expenses incurred during pregnancy related incapacity and establishes penalties for accepting prohibited payments.

Snyder said the amendment changes the bill from facilitating the process to terminating it. He wanted to encourage the process, he said, and added that the reality is that women will not provide their services for free.

Responding, Kiscaden said she didn't want to create a situation where women are paid to bear children at the highest price.

She said that it would be appropriate to compensate women for lost wages and medical expenses if women want to be carriers, but she didn't want to go beyond that.

Sen. Linda Berglin (DFL-Mpls.) carried S.F. 2918, which imposes a 3 year moratorium on the 60 month time limit on Minnesota Family Investment Plan (MFIP) assistance.

Berglin said it is anticipated that approximately 2,700 families will soon reach their 5 year time limit for assistance, but it is difficult for people to find jobs now, since the country is in a recession. Also, she said due to the Sept. 11 attacks, thousands of individuals have lost their jobs and thousands more have had their hours reduced, which hurts those on MFIP because they must be employed for at least 25 hours per week to meet requirements. She also said the federal government allows up to 20 percent of MFIP participants to be exempt from the 60 month time limit, which gives the state some flexibility.

Trishalla Bell, with the Welfare Rights Coalition and current MFIP participant, testified in support of the bill. She said she sends out approximately 25 resumes each week but has not been able to obtain a job yet. She said with no moratorium many families will not be able to get out of poverty. Businesses tell her they aren't hiring right now, she said, and others she knows are having the same experience.

"I've been seeing the same people at the work force center for the past 6 months now," she said.

Supporting the bill, Sen. John Hottinger (DFL-Mankato) said being able to work is contingent on the availability of jobs. Welfare reform, he said, doesn't work in a recession.

"This is a very reasonable and responsible reaction," he said. The bill was approved and re-referred to the Finance Committee.

Berglin also authored S.F. 3098, which makes a variety of technical modifications in current law governing continuing care programs supervised by the Department of Human Services. The bill was approved and sent to the Senate floor.

S.F. 3331 was carried by Berglin. The bill modifies the current access to health records statute. The measure was approved and sent to the Senate floor.

S.F. 3100, also carried by Berglin, makes a number of changes to the Medical Assistance (MA) program. The bill was also approved and sent to the floor.

Kiscaden authored S.F. 3211, which requires the Departments of Human Services and Children, Families and Learning, along with other interested parties, to determine which agency can best develop and administer a pilot program for consumer directed services to deaf-blind individuals. The bill specifies that the planning must be accomplished using current appropriations and be reported by Jan. 1, 2003. The bill was approved and sent to the Senate floor.

Jobs, Housing and Community Development

Workforce restructuring debated

Members of the Jobs, Housing and Community Development Committee came together Fri., Feb. 15, and reviewed the report of the Workforce and Economic Development Transition Team, which has researched options for transforming the state government's role in creating a positive economic climate. The team's recommendations are incorporated into two bills, authored by Committee Chair Ellen Anderson (DFL-St. Paul), that will be heard by the committee later in the session.

Morrie Anderson, transition team leader, said the group's findings and recommendations are the result of nine meetings in the past six months, conversations with workforce service consumers and providers, staff, unions, educators and trainers, employers and business owners. "We talked to well over 1,000 people about how to serve Minnesota's workforce more efficiently," he said. The success of the transition team, he said, depends on the willingness of workforce leaders to act on its recommendations.

In the transition teams' report, "Putting It All Together," the team proposes the creation of the Minnesota Economic Leadership Team (MELT) as the statewide policy board for economic and workforce development. MELT, under the plan, is responsible for developing and continually updating a strategic vision for

the state's economy, defining and monitoring a set of economic indicators designed to assess the overall health of the state's economy, and providing direction to the governor, agency commissioners, and other governing boards. MELT is to be comprised of the governor, who acts as the chair, business leaders, representatives from the education system, union and non-profit leaders, and members of under represented communities.

In addition to the creation of MELT, the transition team advocates the establishment of a new agency structure for workforce and economic development departments and offices. The group recommends consolidating the workforce and economic development programs into the Department of Workforce and Economic Development. The transition team also advises transferring Disability Determination Services to the Department of Labor and Industry (DOLI). Adult education programs currently under the jurisdiction of the Department of Children, Families and Learning (CFL) and customized training programs offered through MnSCU are not to be moved to the new agency, according to the report, because of funding issues. The transition team also noted that the Legislature's committee structure does not provide for long term, comprehensive planning in terms of educational and workforce development issues.

Rebecca Yanisch, Department of Economic Security (DES) commissioner, said she was concerned about the delay in making the recommended changes. "Workforce development policy making has been studied and studied and studied," she said, "Delaying changes creates only greater uncertainty within departments instead of creating the needed sense of urgency." Jim Monroe, representing the Minnesota Association of Professional Employees, said that the extended deadline for making changes is needed in order to smooth out any rough patches in the transition that might create disruptions in service to workers.

"Work focused strategies are not for everyone," said Carrie Thomas from the Jobs Now Coalition. She said that although she commends the effort to better address worker's needs, there are still many people whose needs are not being heard in the transition process. For example, she said, the purposed MELT membership includes no one who works with Minne-

sota Family Investment Program (MFIP) participants. She suggested the executive coordinating group of workforce and economic development agency heads, purposed as part of the restructuring, talk with staff on the front lines of welfare to work programs in order to better understand the limitations of workforce-centered plans. She said many persons who complete MFIP training get very low paid jobs, cannot support their families, and get little help in making the next step up to higher employment. Yet, she said, under a work centric system these persons are considered success stories.

Several persons from the blind community testified against moving the State Services for the Blind (SSB) to the new workforce development agency. "The final report from the transition team totally disregards what blind people have said over and over," said Joyce Scanlan, president of the National Federation of the Blind of Minnesota. She said State Services for the Blind does not fit in the new agency because it does not exclusively address the employment needs of the blind. Instead, she said, 4,000 retired blind people and thousands of blind children, who have needs other than job training and placement, are served by the office.

Tom Lijewski, chair of the State Rehabilitation Council for the Blind, said moving SSB will only exaggerate current problems with the agency, which are caused by a lack of understanding of the needs of the blind by the greater workforce department in which it is housed.

In addition to debating the merits of workforce program restructuring, members also recommended S.F. 2756 to pass and re-referred the measure to the Judiciary Committee. The bill allows information to be shared between the Department of Labor and Industry (DOLI) and the Department of Revenue. Sen. Don Betzold (DFL-Fridley), sponsor of the measure, said the bill is necessary so DOLI can track down employees owed money by former employers.

Housing bills heard

During a marathon hearing Mon., Feb. 18, the Jobs, Housing and Community Development Committee reviewed all of the housing bills the group had before it this session. The seven bills addressed inclusionary housing, homelessness prevention programs, emergency shelter, tenant application fees, carriage house ordinances and other housing needs.

The first bill presented to the committee, S.F. 2881, authored by Sen. Richard Cohen (DFL-St. Paul), states that municipalities wishing to promote affordable housing may establish initial sales prices for housing required to be affordable to low or moderate income persons, require the affordable property be placed in a land trust, and limit the maximum income levels for low-income purchasers of housing for low or moderate income families.

The bill, Cohen said, does not mandate the development of affordable housing, but rather clarifies cities' right to regulate the cost of housing if they chose. "The bill offers direction to municipalities who are looking for it," he said. The committee recommended that the bill pass and advanced it to the floor.

Sen. Ann Rest (DFL-New Hope) offered a measure that goes a step further by authorizing municipalities to give incentives such as eased density restrictions and reduced road width requirements to developers who create mixed-income affordable housing.

The bill, S.F. 3169, defines mixed housing developments, which are eligible for incentives, as those that have at least 20 percent of all units affordable to households earning less than half of the area median income or 40 percent or more of the units are affordable to households earning 60 percent or less of the median income. Other developments which qualify as mixed housing are those with 20 percent of the units having prices lower than the median sales price for homes in the area or with for-sale units and at least 20 percent rental units.

For qualifying mixed housing, under the bill, municipalities are allowed to provide regulatory accommodations, such as relaxed standards for permissible height of developments, size of buildings, size of yard and open spaces, density, and percentage of lot occupied. These regulations, said Rest, drive up the cost of housing. But relaxing the restrictions, she said, is an attractive incentive for developers to build more affordable housing.

"The mixed housing outlined in the bill is not necessarily the most affordable housing," said Tonja Orr from the Minnesota Housing Finance Agency, which has written an extensive report on the issue. "But," she said, "to make housing costs any lower we would have to ask for a government subsidy and we aren't going to get that right now."

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“The bill doesn’t go nearly far enough to help people earning the lowest incomes,” said Russ Adams from the Alliance for Metro Stability. He said that the bill does not require any city to provide regulatory accommodation because municipalities are exempt if they pass their own affordable housing ordinances.

“Mixed housing may bring down the cost of housing,” said Gene Ranieri, “but it’s no panacea.” The bill ignores a major cause behind the soaring real estate prices, Ranieri said, because it does not address the cost of land.

The committee approved the bill and moved it to the State and Local Government Operations Committee.

Sen. Ellen Anderson (DFL-St. Paul) introduced a measure that, she said, illustrates the cost to the state if it does not promote affordable housing. Her bill, S.F. 2656, appropriates \$1.1 million for homelessness prevention and assistance programs. “If we don’t invest enough in affordable housing,” Anderson said, “the result is more homeless families, more people in shelters, and a rising cost for the state, cities and families.”

Michael Dahl, director of the Minnesota Coalition for the Homeless, said 7,000 people are sheltered each night in Minnesota and most of them are children. In fact, he said, the current number of homeless kids now surpasses the total number of homeless people in the state a decade ago. More surprising, he said, is the fact that almost half of homeless adults have jobs. By funneling more money into prevention programs, he said, it is proven that the state shortens the average length of a spell of homelessness and reduces the chances of chronic poverty.

The committee okayed the bill and re-referred the measure to the Finance Committee.

Sen. Yvonne Pretzner Solon (DFL-Duluth) sponsored a measure, which she said exemplifies the impact a lack of homelessness prevention has on the state. Her bill, S.F. 3065, spends \$11.4 million on transitional and emergency shelters for homeless people. She said the latest report from the Wilder Foundation states that 21,329 people in Minnesota are homeless or precariously housed each night. One in seven people who go to shelters are turned away due to a lack of space, she said.

“If Minnesota can’t pay for affordable housing, and Minnesota can’t pay for preventative measures, then Minnesota

must pay for transitional and emergency housing,” Dahl said. “This bill is the price tag for not making housing affordable,” he said. Because of the war in Afghanistan, he said, there are no longer surplus army blankets to give to people who are turned away from shelters.

Darlene Johnson, from the Housing Coalition of the St. Cloud Area, said that shelters in her community are experiencing a boom of requests for housing. “The funding for shelters will run out by March,” she said. She said her estimates did not even figure in the impact of the closing of Fingerhut, which employed thousands of people in St. Cloud. The committee recommended the measure to pass and forwarded it to the Finance Committee.

The committee also okayed a measure which defines accessory dwelling units and makes them permitted to use in areas zoned for either single or multi-family homes. Sen. Linda Berglin (DFL-Mpls.), author of the bill, said the measure makes legal the use of carriage, guest, and “grandmother” houses, and similar detached homes sharing property with larger homes. She said such properties can provide an important source of income for landlords and affordable housing for tenants. Jim Graham, manager of Ventura Village, said the legalization of accessory dwelling is one of the American Association of Retired Persons’ top priorities for the year. He said elderly people can afford to live at home for four or five years longer if they have an accessory dwelling on their property.

The Committee voted in favor of the bill, S.F. 3148, and moved it on to the full Senate.

Sen. Julie Sabo (DFL-Mpls.) authored S.F. 3118, which creates standards for tenant screening reports and limits the fee for them to \$45. The measure also prohibits a landlord to charge a prospective tenants for a screening reports if tenants can provide one that meets the standards and is less than 30 days old.

Screening reports, under the bill, must verify recent employment and income sources, contain references from two past landlords, detail eviction records and criminal convictions.

Sabo said the bill is needed to prevent landlords from overcharging for screening fees and asking for fees from multiple prospective tenants. She said several renters have had to invest hundreds of

dollars in screening while looking for housing. “It’s a tight market,” she said, “and when you have to go from landlord to landlord paying screening fees, the cost can add up fast.”

Lee Michelson said that he owns the oldest tenant screening company in the state, but was never asked for his input on the bill. He said he only charges \$22.50 for the majority of tenant reports he currently provides, but would have to charge triple that amount to give the information required in the bill.

Craig Miller, an independent landlord, said he would now have to do his own statewide criminal background checks on tenants, since it is not required for the standard report outlined in the bill. “It will make my job harder,” he said, “and that will increase rent, plain and simple. If the law forbids me from buying a criminal background check, I’ll do it myself and pass the cost on.”

Anderson said asked whether a statewide background check costs \$90 as some companies were suggesting. Miller said he only charges \$30 to tenants for checking statewide criminal backgrounds. “What we are hearing is all over the charts,” said Sabo. “I don’t know who to believe, but we have to do something.” The committee approved the bill and forwarded it to the floor.

Sen. Linda Higgins (DFL-Mpls.) offered a one sentence bill relating to trailer park homes that states “a park owner may not discriminate against a resident because of the age of the resident’s home.” She said the bill does not prohibit park owners for taking disciplinary actions against residents whose homes are not in proper condition. The bill was okayed and transferred to the floor.

Sen. Warren Limmer (R-Maple Grove) offered a bill, which the committee recommended to pass and advanced to the floor, that removes the requirement for mechanical ventilation in the construction of certain new homes. He said the new energy codes were getting in the way of the development of affordable housing.

Extended unemployment approved

Members of the Jobs, Housing and Community Development Committee gathered on Weds., Feb. 20 and heard three measures that extend unemployment benefits.

One of the bills, S.F. 2856, provides up to an additional 26 weeks of unem-

ployment pay to workers who exhaust their benefits after Jan., 2002. Sen. David Johnson (DFL-Bloomington) said he is offering both this bill and another that limits the additional benefits to laid off airline and Fingerhut employees, because he sees the merits in both limited and general extensions of benefits. He said that although he prefers that everyone get a longer period of eligibility, the cost might be prohibitive and no one would get additional benefits. "I don't want us to price ourselves out of helping anyone at all," he said.

Jack Wiedenbach, director of unemployment insurance, said in the worst case scenario, 60,000 laid off workers will receive greater benefits under the bill. The cost of which, he said, would be about \$398 million, over half of the amount that was paid out of the unemployment fund in total last year. However, he said, the more realistic estimate is about \$200 million.

Chair Ellen Anderson (DFL-St. Paul) said the measure is a strong safety net to help people through the recession. She said she is worried that legislating additional benefits piecemeal to workers laid off from different businesses will create inequalities and harm workers laid off between sessions, when more benefits cannot be authorized through legislation. Sen. Julie Sabo (DFL-Mpls) said extended benefits are not equally needed by all laid off workers because in some industries and areas workers can find new jobs more easily than in others. Airline employees, on the other hand, may need to move to a whole new industry, she said. The committee recommended S.F. 2856 to pass and forwarded it to the floor.

David Johnson's other unemployment measure, S.F. 2857, changes the requirements for eligibility for unemployment. The measure adjusts the time period that the unemployment insurance program reviews to determine whether a worker has worked long enough or made enough money to qualify for unemployment. Wiedenbach said the change qualifies about 3,000 workers for benefits and cost \$9 million in unemployment insurance funds.

Brad Lehto, representing the AFL-CIO, said, "The 3,100 workers who did not get benefits because their employment during the reviewed time period did not qualify them have felt a great impact. They were disqualified not because they had not worked, but because they had not

worked during the right part of the year." The members voted in support of S.F. 2857 and sent it to the floor.

The third unemployment benefits bill heard by the committee, S.F. 3128, allows school service employees, such as bus drivers, custodians, and cooks, to qualify for unemployment benefits during summers when they do not work. Sen. Becky Lourey (DFL-Kerrick) said the school districts have to pay for the benefits by reimbursing the unemployment insurance fund. Wiedenbach said the bill includes University of Minnesota, Minnesota State Colleges and Universities and private schools and has a fiscal impact of over \$100 million. Sen. Martha Robertson (R-Minnetonka) said the cost was equivalent to \$100 per pupil in the state.

Sen. Dennis Frederickson (R-New Ulm) said that because contractors are not required to pay the unemployment benefits, the bill may add an incentive for schools to contract out service work.

Lourey said the bill raises important issues that need to be discussed, whether or not the state can afford the extra benefits this year. The committee recommended the bill to pass and re-referred the measure to the Education Committee.

Paid parental leave, which is currently available only to birth parents to enable them to attend parent teacher conferences and other school events, is extended to foster care parents by S.F. 2456. Anderson, sponsor of the bill, said the measure allows foster parents to take up to 16 hours of paid leave for school events per year if arrangements are made beforehand with their employers. The members okayed the bill and sent it onto the floor.

S.F. 2960, presented by Sen. Debbie Johnson (R-Ham Lake), prohibits employers from penalizing their employees from missing up to 40 hours of work each year due to volunteer firefighter duties. The committee endorsed the measure and referred it to the floor.

Judiciary

Commitment bill debated

Members of the Judiciary Committee, chaired by Sen. John Marty (DFL-Roseville), met Thurs., Feb 14, to hear a bill regarding the civil commitment of individuals.

The bill, S.F. 2457, carried by Sen. Linda Berglin (DFL-Mpls.), amends current law dealing with peace or health

officer holds under the Commitment Act to eliminate a requirement that an officer may hold an individual only if the threat of injury to self or others posed by the person is "imminent." As a result, under the bill a hold may take place if there is a "danger" that an individual may harm self or others. The bill also amends current law to specify that a community-based program may include in-patient mental health services at a community hospital.

Nancy Schumacher, representing Citizens Commission on Human Rights, testified in opposition to the bill. She said that the word "imminent" is needed as a balancing tool to prevent unnecessary holds. Eliminating the word lowers the criteria to conduct a hold, she said.

John Milton, co-chair of the Legislative Committee of the National Alliance for the Mentally Ill, spoke in support of the bill. He said current law requiring an imminent danger to be shown is too high of a criteria. Striking it, he said, allows more early intervention to take place before an individual becomes too dangerous. Steve Gilkerson, from the Champlin Police Department, said drugs and mental health are the two biggest issues in his dealings with runaway youth. Janice Allen, from the Anoka County Attorney's Office, also spoke in favor of the bill. She said many times police officers have difficulty establishing an "imminent" danger because when they arrive at a scene the individual in question may have calmed down. Striking "imminent," she said allows police officers to take action.

Sen. Sen. Leo Foley (DFL-Coon Rapids) said he had concerns with the bill. He said that while he understood there are serious challenges when dealing with runaway youth, many times they aren't held for reasons of mental health, but simply to prevent them from running away. As a result, he said he had "real problems" with the bill.

Sen. Sheila Kiscaden (R-Rochester) said a problem in Minnesota is that many times families are unable to access the services they need for family members until they have severe problems. While many people have frustrations regarding the abuses of the mental health system, she said, many families also have frustrations because they are unable to access mental health services for people in their family. She said she is comfortable lowering the criteria.

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Kiscaden also said the bill allows law enforcement officials to make judgements and to take individuals for evaluation.

Sen. Thomas Neuville (R-Northfield) offered an amendment specifying that the individual must be in danger of harming self or others “if not immediately detained.” The amendment also changes the language to state that a court may order a hold if there is danger of physical harm if not “immediately” apprehended and changes language allowing an individual to be “restrained” to allowing an individual to be “detained.” The amendment was adopted. Sen. Don Betzold (DFL-Fridley) moved to delete two sections, which eliminates the sections regarding the “imminent” danger and “imminent” physical harm. The amendment was not adopted.

Foley moved to send the bill to the floor without recommending it to pass. The motion was adopted.

Sen. Linda Higgins (DFL-Mpls.) authored S.F. 2625, which authorizes collaborative reproduction agreements

and embryo agreements. The bill requires the gestational or surrogate carrier to receive counseling before providing her services, requires an evaluation of the intended parent(s) by a counselor, authorizes compensation for a donor, requires an embryo transfer agreement and collaborative reproduction agreement between all participants, establishes proceedings for judicial approval of the agreements and requires the intended parent(s) to cover all medical costs incurred by the donor.

Tom Prichard, from the Minnesota Family Council, testified in opposition to the bill. He said the bill redefines the concept of motherhood in a significant way and encourages the re-definition of family creation. The result, he said, is the decreasing of the link between children and their parents. Prichard also said the bill promotes the concept of “designer kids” and makes children become commodities to be bought and sold. “You are, in essence, baby selling,” he said. “Very few

women are going to do this unless they get paid.”

Sen. Don Betzold (DFL-Fridley) said in many cases of surrogacy things go wrong, like the surrogate changes her mind. Even if the bill doesn’t pass, he said, the practice of surrogacy will still go on, but without guidelines.

The bill was laid over for further discussion.

Sen. Jane Ranum (DFL-Mpls.) carried S.F. 2839, which deals with Juvenile Court judges in Hennepin and Ramsey Counties. The bill repeals current law stating that the chief judge in the district may designate a judge to hear juvenile court cases as a principal or exclusive assignment for no more than six years out of a 12 year period. The bill also repeals current law stating that the incumbent District Court juvenile judge is a judge of the District Court subject to the administrative authority and assignment power of the chief judge of the district. The bill was approved and sent to the Senate floor.



Young members of the Asian Pacific community listen to a speaker in the Capitol rotunda, Tues., Feb. 19, as part of the Council on Asian Pacific Minnesotans Day at the Capitol.

Photo by David J. Oakes

Sen. Charles Wiger (DFL-North St. Paul) carried S.F. 1030, also called the National Crime Prevention and Privacy Compact. The bill was originally approved by the federal government in 1998, and has already been ratified by 14 states, Wiger said. It is intended to facilitate the exchange of criminal history records for noncriminal justice purposes between the states and the federal government and must be passed by all 50 states for ratification he said. According to Wiger, the bill allows fingerprints and other information to be processed more efficiently. The bill was approved and sent to the Senate floor.

Betzold carried S.F. 2448, which allows the commissioner of the Department of Public Safety to disclose personal information when the use is related to the operation of a motor vehicle or public safety. The bill was approved and sent to the Senate floor.

Betzold also carried S.F. 2758, which makes technical changes to tax data classification and disclosure provisions. The bill was approved and re-referred to the Tax Committee.

Marty carried S.F. 2795. The bill modifies current law dealing with the authority of the chief administrative law judge to adopt policies and provides sanctions for intentional and frivolous delay caused by a party in a human rights proceeding. The measure adds specific authority to impose fines, attorney fees and costs as part of any sanctions. Also, the bill gives the Department of Human Rights, a charging party or respondent standing to petition the chief administrative law judge for an order imposing sanctions. The bill was approved and sent to the Senate floor.

Emergency powers act discussed

Members of the Judiciary Subcommittee on Data Practices, chaired by Sen Don Betzold (DFL-Fridley), met Mon., Feb. 18, to discuss the Minnesota Emergency Health Powers Act.

The bill, S.F. 2669, carried by Sen. John Hottinger (DFL-Mankato), clarifies the process and outlines the requirements necessary for declaring a public health emergency. The bill also provides a list of the powers and duties of the commissioner of health in a declared emergency. Members, however, limited their discussion to the data privacy provisions of the bill.

Regarding privacy issues, the bill requires that individuals submit to a

physical examination if it is believed that the person is infected with a communicable disease or may have been exposed to a toxic agent for which the emergency was declared and allows the testing of any individual and the collection of specimens from any living person. The bill allows the commissioner of health to share data with the appropriate governmental and tribal authorities if it is determined that access will aid public health, promote safety or assist law enforcement, authorizes law enforcement agencies to share criminal investigative data with the commissioner if either the agency or the commissioner believes that the data indicate a possible threat of bioterrorism, chemical or radiological terrorism and requires the reporting of actual cases, or suspected cases, of persons dying from a disease or infectious agent. The bill also allows the commissioner of health to review medical records to investigate cases of exposure to a qualifying health condition, requires a written record to be kept by the individual in charge of the body of anyone who has died from a communicable disease and requires the commissioner to notify the appropriate federal and local authorities when the commissioner learns of a case of a qualifying health condition or suspicious event with possible connections to terrorism.

Twila Brace, from the Citizens Council on Health Care, testified regarding her concerns with the bill. She said the bill allows health data to be taken and distributed without a search warrant and includes such broad terms as "imminent threat" and "believed." Brace said the bill includes too many undefinable or vague words and phrases.

Sen. Jane Ranum (DFL-Mpls.) asked at what point confidential information becomes private. She said she had "huge issues" with the bill and that it was moving too rapidly. Sen. Sheila Kiscaden (R-Rochester) asked if it was possible to include sunset language in the bill in order to review it several years from now. Hottinger said he has heard "mixed reviews" regarding the bill and that a number of people continue to have concerns with it. He said he will continue to analyze the bill as it moves along. The bill was referred to the Judiciary Committee without recommendation.

Sen. Warren Limmer (R-Maple Grove) carried S.F. 3074, which deals with employee consent of the disclosure of

medical information. The bill prohibits an employer who has received health record information from an employee from disclosing the information without written consent of the employee. Limmer said the bill address an issue that has eluded legislation so far.

Bob Tracy, from the Minnesota AIDS Project, spoke in support of the bill. He said many times employers received medical information that is confidential and it is necessary to ensure that the information remains respected. He said sometimes people with illnesses that have a stigma find that their rights are not always protected.

Betzold asked if it shouldn't be disclosed if someone has a disease such as tuberculosis, which can spread to others. Responding, Lynn Mickelson, attorney for the Minnesota AIDS project, said that kind of instance is already covered in current law and that there is an exception for health threats in the bill. Kiscaden said that the phrase "health record information" was too broad and could even include information obtained in a casual conversation or regarding something like the 'flu.

Limmer said the language of the bill was taken from the procedures medical providers use to handle their health record information and disclosure related items.

"We do have a little bit of a responsibility to hold medical information private," he said. The bill advanced to the full committee.

Ranum carried S.F. 3111, which deals with the statewide juvenile court supervision system. The bill requires the Juvenile Court to forward specific information in juvenile petitions for individuals under supervision by probation agencies or in an out-of-home placement to the statewide supervision system. It also requires the Department of Corrections, instead of the Bureau of Criminal Apprehension, to maintain the supervision system, adds a reference to juvenile data and directs the data to be accessible to all trial and appellate courts, not just District Courts.

Limmer said he was concerned that something an individual has never been charged with will be kept on a juvenile's record. He said he understood that it is appropriate to look for "flags" in a juvenile's life to prevent future trouble and to make sure they get the attention they need, but he said he wondered what the appropriate threshold for information was. Dan Storkamp, from the Department

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of Corrections, said a lack of information can lead to unfortunate situations in the future. The bill was approved and referred to the Judiciary Committee.

Sen. Leo Foley (DFL-Coon Rapids) carried S.F. 3097, a bill relating to child support privacy issues. The bill extends the date of a provision enacted last year authorizing the exchange of data on participants in the noncustodial parent program for purposes of evaluating the program from Aug. 1, 2002 to Aug. 1, 2005. The bill was approved and referred to the Judiciary Committee.

Sen. Sandra Pappas (DFL-St. Paul) carried S.F. 3175, which amends the education data statute to authorize the release of education data for the purpose of verifying information about eligibility for free and reduced price school meals or other meal benefits. Other data sharing provisions are included in the Departments of Human Services, Health, Economic Security, Housing, Finance and Children, Families and Learning to confirm eligibility status for meal benefits and to certify individuals for meal benefits. The bill also amends current law to expand a provision that authorizes the sharing of data with the Department of Children, Families and Learning to include all purposes related to federal and state funds that are distributed based on income, rather than limiting it to eligibility for free and reduced price meals and meal supplements and free milk. Pappas said the bill is meant to reduce the paperwork burden. The measure was approved and referred to the Judiciary Committee.

Betzold carried S.F. 2756, which amends current law allowing the sharing of data between the Departments of Labor and Industry and the Department of Revenue to exchange taxpayer identity information relating to tax administration and workers compensation laws to allow sharing for purposes of minimum wage law and general employment provisions as well. The bill was approved and referred to the Judiciary Committee.

Betzold carried S.F. 3045, which authorizes the Fourth Judicial District to extend the domestic fatality review team pilot project until Dec. 31, 2004. The bill was approved and referred to the Judiciary Committee.

Betzold also carried S.F. 2949, a bill that conforms state law with federal laws. The measure provides for national history criminal checks on school bus driver

applicants, clarifies state and federal criminal history background check procedures for conditional employees of licensed private detective or protective agents, allows the Alcohol and Gambling Enforcement division of the Department of Public Safety to require the fingerprinting of wholesale liquor manufacturers and wholesalers liquor license applicants for a national criminal history background check and allows the division to require the fingerprinting of retail liquor license applicants for a national criminal history background check. The bill was approved and referred to the Judiciary Committee.

Betzold carried S.F. 3231, a bill that amends current licensing data law to exclude nondesignated addresses from the list of application data that are public. Current law requires an applicant to designate a residence or business address at which the applicant can be contacted. The bill was approved and referred to the Judiciary Committee.

S.F. 3167, also sponsored by Betzold, amends current law requiring the commissioner of corrections to determine whether a petition of civil commitment as a sexual psychopathic personality or sexually dangerous person is appropriate when certain inmates are released from prison. The bill gives the commissioner access to private medical data or welfare data that relate to the medical treatment of the offender, private and confidential court services data, private corrections data and private criminal history data. The bill was approved and referred to the Judiciary Committee.

Betzold also carried S.F. 1372, which modifies provisions dealing with child maltreatment data. The bill requires that data that would identify an individual who has made a voluntary or mandatory report of alleged maltreatment of a child are confidential data wherever that data appears in various reports. The bill also specifies that an alleged or actual perpetrator of maltreatment may compel disclosure of the identity of the reporter only with the consent of the reporter. The bill was approved and referred to the Judiciary Committee.

Anti-terrorism bills heard

Two anti-terrorism initiatives dominated debate at the Tues., Feb. 19, meeting of the Judiciary Committee. The first measure, sponsored by Sen. Jane Ranum (DFL-Mpls.), outlines the conditions

under which public meetings may be closed to discuss security issues. Ranum said after the events of Sept. 11 last year, it became clear that some government meetings needed to be closed in order for attendees to discuss security weaknesses and steps taken to correct those weaknesses. Minneapolis City Council Member Barret Lane, speaking in support of the bill, said "The public is well served by the open meeting law, but openness must be balanced with security responsibilities."

Much of the discussion on the bill centered on the status of financial disclosure of matters discussed in the meetings. Ranum said the bill specifies that financial issues related to security matters must be discussed and all related financial decisions must be made at an open meeting. The bill also provides for the tape recording of the closed meetings. Mark Anfinson, speaking for the Minnesota Newspaper Association, said the data from the meetings defaults to the Data Practices Act.

Members considered a four-part amendment, offered by Sen. Leo Foley (DFL-Coon Rapids). The first portion of the amendment deletes a phrase in the measure allowing individuals in the closed meetings to discuss financial information. Members determined that the other language in the bill is clear that the financial matters must be discussed at an open meeting and Foley withdrew that portion of the amendment. The second portion of the amendment, requiring the public body to make the decision to close a meeting at a public meeting, was amended by Sen. Thomas Neuville (R-Northfield), to also specify that the body identify the specific threat to public safety that exists. Both the amendment to the second portion of the amendment and that portion of the amendment were adopted. The third portion of the amendment clarifies that the tape recording of the closed meeting becomes public data two years after the date of the closed meeting unless it has been released sooner or unless the public body obtains a protective order showing that the release of the recording would cause harm to public safety. In addition, the third portion of the amendment specifies that the recordings be kept for four years. The amendment was adopted. The final portion of the amendment changes the sunset of the bill from June 30, 2005, to June 30, 2004. The amendment was also adopted.

Sen. Warren Limmer (R-Maple Grove) offered an amendment specifying that a reason for closing meetings could not be emergency response procedures related to medical treatment, health surveillance or quarantine of individuals. Members delayed action on the amendment, and the bill, until the panel had acted on a bill dealing with public health emergencies caused by terroristic action.

The panel, chaired by Sen. John Marty (DFL-Roseville), then turned their attention to S.F. 2669, the Minnesota Emergency Health Powers Act. The bill, sponsored by Sen. John Hottinger (DFL-Mankato), modifies provisions for declaring national security and peacetime public health emergencies. Members adopted an amendment that considerably narrowed the scope of the original bill. The amended bill provides definitions for a public health emergency and a qualifying health emergency, includes public health emergencies under existing emergency powers statutes in order to provide clear lines of authority for the governor and provides for a study to be done in order to make recommendations for other changes to manage emergencies or protect public health.

Hottinger said, "The goal of the bill is to provide clear processes to deal with bioterrorism and, at the same time, to provide oversight." Commissioner Janet Malcolm, Dept. of Health, said the bill clarifies that a public health emergency may trigger the emergency powers already in statute.

A number of individuals testified against the bill. Twyla Brace, representing the Citizens Council on Health Care, said the language in the bill is too broad, the descriptive words in the measure are vague and that the bill has constitutional problems.

Hottinger responded that the measure cannot spell out in precise terms the kinds of events that might trigger a health emergency.

Members adopted several amendments. Sen. Sheila Kiscaden (R-Rochester) offered an amendment requiring the study to include an assessment of how the levels of risk can be categorized and how the level of perceived risk relates to emergency responses. The amendment was adopted. The panel also adopted an amendment, offered by Neuville, establishing a biological agents registry. Neuville also offered an amendment to

include the definition of "facility" from a previous version of the bill. The amendment was adopted. The bill was approved and re-referred to the Finance Committee.

Members also approved S.F. 2838, the bill authorizing the closing of public meetings, authored by Sen. Jane Ranum. An amendment, offered earlier in the day by Limmer, was not considered. The bill was sent to the Senate floor.

Earlier, members also approved a bill authorizing collaborative reproduction agreements. S.F. 2625, authored by Sen. Linda Higgins (DFL-Mpls.), was re-referred to the Health and Family Security Committee. Members had had extensive discussion on the bill at an earlier hearing. An amendment was adopted that clarified provisions dealing with compensation and determination of parentage.

Members also advanced several other bills. S.F. 2814, authored by Sen. Steve Murphy (DFL-Red Wing), authorizes cooperatives to conduct votes by electronic means. The bill was approved and recommended for placement on the Consent Calendar. S.F. 1000, carried by Sen. Dan Stevens (R-Mora) was also recommended for placement on the Consent Calendar. The bill restricts the sale of property acquired by eminent domain to a private person.

A bill, S.F. 3074, authored Limmer, clarifying the prohibition on the release of medical record information, was also approved and sent to the Jobs, Housing and Community Development Committee.

State and Local Government Operations

Stadium bill debated

The State and Local Government Operations Committee, chaired by Sen. Jim Vickerman (DFL-Tracy), met Thurs., Feb 14, to discuss several bills. Sen. Charles Wiger (DFL-North St. Paul) carried S.F. 2539, a bill that allows the city of St. Paul to seek funding for a new major league baseball park. "St. Paul has a dream for bringing baseball home," Wiger said, "The bill allows St. Paul to step up to the plate and become the home of the Twins." Wiger explained the bill allows the city to implement a 3 percent sales tax on food, beverages and entertainment in the city, to activate a \$1 surcharge on every ticket sold at the new ballpark, and the ability to issue bonds sufficient to cover the city's

and state's share of the construction costs. The revenue from the sales tax and ticket surcharge would pay the debt service on the bonds, Wiger said. Once the bonds are paid, the tax and surcharge will end, he said. "If we walk away, we will lose major league baseball in Minnesota," said St. Paul Mayor Randy Kelly, "However, I believe this legislation will save baseball in Minnesota." Other representatives from city government, labor groups and the business community gave testimony in support of the bill.

"A year ago, voters in my area said don't come back home if you vote for a stadium," Vickerman said, "Now they say, 'don't let those Twins leave.'"

Speaking in opposition to the stadium proposal was Dan McGrath from Progressive Minnesota, who said the voters have been clear in their opposition to a sales tax for a stadium. "It's bad public policy, and an even worse process," McGrath said, "There's no reason for voters not to be heard on this issue."

Vickerman offered an amendment that directs all revenue from the naming rights for the stadium toward debt service on any bonds associated with the project. The amendment was adopted. Sen. Lawrence Pogemiller (DFL-Mpls.) said as a member of the Tax Committee, the stadium won't be a priority. "There isn't going to be much discussion about a stadium until affordable housing is addressed," Pogemiller said. The bill was approved as amended and referred to the Tax Committee without a recommendation.

Sen. Ellen Anderson (DFL-St. Paul) carried S.F. 2656, a proposal for community ownership of the Twins baseball franchise. The bill specifies that the Twins be 75 percent publicly owned, and 25 percent owned by a private management group that would oversee the day-to-day operations of the team. "It's the correct first step to take before a stadium bill would be accepted," said Anderson. The bill was recommended to pass and referred to the floor.

Sen. Richard Cohen (DFL-St. Paul) carried S.F. 2881, a bill that provides direction to municipalities to promote the availability of affordable housing. Russ Adams, director, Alliance for Metropolitan Stability, said the bill was created after consultation with municipalities and builders. The intent, he said, is to raise the comfort level of municipalities when

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discussing affordable housing, provide regulatory relief for the municipalities, and facilitate interaction with developers to maintain availability and affordability of low-income housing. Cohen offered a language clarification amendment that was adopted. Sen. Dan Stevens (R-Mora) said he was afraid the bill limits a person's right to build equity and to sell to whomever the person chooses. Sen. Myron Orfield (DFL-Mpls.) replied that the bill merely clarifies a city's right to do affordable housing. Jack Horner from the Minnesota Multi-Housing Association said his organization has no position on the matter. The bill was approved as amended and referred to the Jobs, Housing and Community Development Committee.

Sen. Lawrence Pogemiller (DFL-Mpls.) carried S.F. 2531, a bill that clarifies language relating to the Minneapolis Firefighters Relief Association that prohibits individuals from collecting pension benefits improperly. The bill was approved and recommended for placement on the Consent Calendar.

Sen. Martha Robertson (R-Minnetonka) sponsored S.F. 2966, a housekeeping bill related to various matters in the Department of Administration. After a brief description, the bill was approved and recommended for placement on the Consent Calendar.

Sen. Ann Rest carried S.F. 2711, a bill that allows automatic participation for municipalities in the Livable Communities Act and reduces the bureaucratic redundancies associated with participation with the program. The bill was recommended to pass and referred to the floor.

Rest also sponsored S.F. 2963, which transfers the duties of the state treasurer to the commissioner of finance. Current Treasurer Carol Johnson said it is critical for firewalls to be built between former treasury duties and the rest of the department. The bill was recommended to pass and referred to the floor.

Sen. Don Betzold (DFL-Fridley) carried S.F. 2991, a bill that requires the state to pay the salary differential to state employees who are called into military service since September 11, 2001. The bill also allows local governments to do the same with their employees. Colonel Dennis Lord from the Minnesota National Guard said the state would probably be obligated to pay less than half of the 500 state employees who are part of a military reserve branch and that the bill also allows

Hennepin County to pay its reserve workers longer than the 15-day period that currently exists. The bill was laid over to wait for language that reflects employee benefits as well. Another Betzold bill, S.F. 2757 was recommended to pass and referred to the floor. The bill concerns contested case procedures and focuses on establishing the finality of an administrative law judge's decision.

Vickerman carried S.F. 2945, a bill that changes the Nobles County auditor-treasurer and recorder positions from elected to appointed. The bill was approved and sent to the floor.

Labor contracts narrowly ratified

The State and Local Government Operations Committee, chaired by Sen. Jim Vickerman (DFL-Tracy), convened Tues., Feb. 19, to discuss several bills, mostly notably legislation ratifying the collective bargaining agreement for state labor contracts. Sen. Linda Scheid (DFL-Brooklyn Park) carried S.F. 3041, a bill that ratifies the collective bargaining agreements between the state and labor representatives for state employees. Scheid said there was controversy surrounding two areas of the bill, the size of the salary increases and the provision for benefits for same-sex domestic partners. The salary increases for most employees were between 3 and 3.5 percent, she said.

Sen. Mady Reiter (R-Shoreview) said 80 to 90 percent of calls from her voters are against ratification due to the inclusion of the domestic partner benefit. Sen. LeRoy Stumpf (DFL-Thief River Falls) said the committee will be making a mockery of the collective bargaining system if it second-guesses the outcome of the negotiations. Sen. Myron Orfield (DFL-Mpls.) said he found it difficult to believe committee members were willing to hold a \$3.1 billion budget up to protest a \$200,000 provision.

Sen. Dick Day (R-Owatonna) said the labor representatives did the people of Minnesota a disservice by agreeing to domestic benefits that aren't available to unmarried heterosexual couples who live together. Sen. Martha Robertson (R-Minnetonka) disagreed with Day by saying that same-sex partners don't have the option to get married as heterosexual couples do. Sen. Lawrence Pogemiller (DFL-Mpls.) said he thought 85 extra people receiving health insurance was a

good thing. The bill was recommended to pass and referred to the floor by a 7 to 6 vote.

Sen. Lawrence Pogemiller (DFL-Mpls.) carried S.F. 2930, the ongoing authorization for bonding for transit needs. Natalio Diaz from the Metropolitan Council said the bonding request is for \$50 million, with an inflation adjustment in subsequent years. The bill was recommended to pass and re-referred to the Tax Committee. Sen. Dan Stevens (R-Mora) carried S.F. 2834, a bill that makes the Steele County recorder an appointive position. Several Steele County representatives were present in support of the bill. The bill was recommended to pass and placed on the Consent Calendar. Orfield carried S.F. 3147, a bill that simplifies and streamlines affirmative action programs in Minnesota. Amongst the changes in the bill, Orfield explained, the state switches from an 8-factor analysis to a 2-factor analysis when evaluating employment practices. Michael Watts from the Department of Employee Relations (DOER) said the intent of the bill is to strengthen affirmative action and focus the state's programs on the future. Responding to a question, Watts said two-factor analysis means that the number of minorities and women are compared to employment records. The bill was recommended to pass and referred to the floor.

Sen. Martha Robertson (R-Minnetonka) carried S.F. 2971, a bill that pertains to competitive bidding requirements for building and construction contracts. Betsy Hayes from the Department of Administration said the bill doesn't change the status of the law governing building and construction contracts, but merely places the law governing these contracts back into the current statutes. The bill was approved and recommended for placement on the Consent Calendar.

Sen. LeRoy Stumpf (DFL-Thief River Falls) sponsored S.F. 1755, which establishes an optional statewide health insurance plan for school district employees. Stumpf said the plan is voluntary for districts, as long as they provide health coverage for their employees. Savings from reduced administrative costs can be used by the state to pay for the program, Stumpf said, and districts can receive state per-pupil aid to help cover their health plan costs. Teacher Greg Harmon said skyrocketing health insurance costs are driving



Children from the Free Arts Minnesota Bridges School in Mounds View perform in the great hall of the Capitol as part of a program to promote Free Arts Minnesota, a nonprofit organization dedicated to bringing the healing powers of artistic expression into the lives of at-risk children and their families.

Photo by Shelley Hawes

teachers from the profession. Lee Johansen from Education Minnesota said the current system is broken and that this bill allows the state to address the costs of health insurance. A larger pool of employees will reduce large premium increases in districts, Johansen said, and in the first year of the program, \$25 million can be saved as a result of reduced paperwork and other administrative redundancies. Speaking in opposition to the bill, Bob Meeke, from the Minnesota School Boards Association, said the bill doesn't necessarily solve schools' health insurance problems and may generate the false assumption that school employees no longer have to pay for insurance. The bill was recommended

to pass and re-referred to the Education Committee.

Sen. Roger Moe (DFL-Erskine) carried S.F. 3208, a bill that eliminates the requirement that collective bargaining agreements be ratified by the Legislature. The bill was recommended to pass and sent to the floor. Two bills were sponsored by Sen. Douglas Johnson (DFL-Tower). S.F. 2873 conveys a cemetery in Cook County to the Grand Portage Reservation. S.F. 2944 allows Cook County to spend tax proceeds on roads and bridges in unorganized territory. S.F. 2873 was approved and placed on the Consent Calendar and S.F. 2944 was recommended to pass and sent to the floor.

Variety of bills advance

The State and Local Government Operations Committee, chaired by Sen. Jim Vickerman (DFL-Tracy) met Weds., Feb. 20, to hear testimony regarding several proposed pieces of legislation. Sen. Linda Scheid (DFL-Brooklyn Park) carried S.F. 3015, a bill that establishes the division of fraud prevention in the Department of Commerce and authorizes the division to initiate investigations on its own. The division will also administer the auto theft prevention program, Scheid said. The bill was recommended to pass and sent to the floor. Sen. Mee Moua (DFL-St. Paul) carried S.F. 2875, a bill that establishes a state environmental

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sustainability policy, sets standards for state purchasing, and establishes a green government council. The bill was recommended to pass and referred to the floor. Sen. Leonard Price (DFL-Woodbury) carried S.F. 3069, a bill requiring state and local governments to give public notice 120 days before transferring ownership or changing the use of publically owned undeveloped land. Sierra Club representative Sharon Stephens said the bill was created as a result of the frustration people felt when they weren't aware of what was happening to public land. The measure creates a uniform notification standard for all levels of government, she said. Three elected officials spoke in favor of the measure, including Hennepin County Commissioner candidate John Knight, who said the bill brings common sense to the law. The bill was approved and referred to the floor.

Sen. Sandra Pappas (DFL-St. Paul) carried S.F. 3189, a bill that establishes a retroactive effective date for St. Paul civil service separation. The bill was recommended to pass and be placed on the Consent Calendar. Sen. LeRoy Stumpf (DFL-Thief River Falls) carried S.F. 3132, a bill that authorizes the Northern Counties Land Use Coordinating Board to initiate a pilot project to promote cooperative efforts amongst various governing state, local and federal governing bodies regarding land management issues. Cook County Commissioner Bob Fenwick said 90 percent of the land in his jurisdiction is owned by the state or federal government and often decisions are made without consultation with the local government. The bill was recommended to pass and referred to the floor.

S.F. 2403, carried by Sen. Linda Higgins (DFL-Mpls.), allows the Minneapolis Park Board to lease the former Fuji-Ya restaurant property. The Park Board is also required to reimburse the state \$158,284 to repay a previous grant for the Great River Road project. The bill was approved and referred to the floor. Sen. Jane Krentz (DFL-May Township) carried S.F. 2675, a bill that broadens the reach of the statutory requirement for containers for at least three recyclable materials in public facilities by expanding the definition of "public entities." The bill was recommended to pass and sent to the floor. Sen. Ann Rest (DFL-New Hope) carried S.F. 3084, a bill that modifies state and local auditing procedures. An amendment was

adopted that delays the effective date until Aug. 1, 2003. Among the housekeeping provisions, said Jennifer Mohlenhoff, deputy state auditor, the bill allows the state auditor to send or hire personnel to complete and file reports in towns that have failed to submit the reports to the state in a timely manner. The expenses related to the completion would be charged to the town, she said. The bill was recommended to pass and referred to the floor.

S.F. 3117, carried by Sen. James Metzen (DFL-South St. Paul), allows the Metropolitan Council to return several sewage interceptors back to local units of government. The bill was recommended to pass and referred to the floor. Metzen also carried S.F. 2392, a bill that modifies emergency 911 telephone system provisions. Metzen said the committee was only concerned with the rulemaking aspect of the bill. The bill was recommended to pass and sent to the Finance Committee.

Taxes

Sports financing considered

The Tax Committee devoted its hearing, Tues., Feb. 19, to overviews of various proposals regarding professional sports and the University of Minnesota football program. Most of the proposals provide a financing scheme for the construction of a new stadium. "The last thing I want to do this year is talk about stadiums," Committee Chair Lawrence Pogemiller (DFL-Mpls.) said, but now is the time for the Legislature to get involved in stadium financing if it is going to be involved at all.

Committee members began with a presentation by Will Haddeland, co-chair of the Tripartisan Stadium Task Force. Haddeland, a Senate appointee to the task force, reviewed the report of the task force for panel members. He said the task force determined that financing for a stadium should come from team owners or private investors. If private money is insufficient, he said, the task force determined that local governments should step up. Only when those sources have been exhausted, he said, should the state participate in a financing plan. The task force, Haddeland said, decided that 35 percent of the financing, at a minimum, should come from a team owner.

Haddeland said the task force determined that the primary contributors towards a stadium should be the owners,

players, fans and those who economically benefit from major league sports—such as memorabilia merchandisers and concession stand operators. He said that income taxes paid by visiting players should be dedicated to stadium construction. He also suggested tapping media access fees and rent for the prime space occupied by journalists at sporting events. Haddeland noted that the Capitol press corps—and its component news organizations—pays rent on what is some of the worst space in the building, while sports journalists have the best seats in the house for free. He also said that so-called "rounders," who sell memorabilia at concerts, have stable prices that do not account for sales taxes. Thus, Haddeland said, a certain shirt may cost \$20 in both Minnesota and Illinois, even though Minnesota does not charge sales taxes on the shirt. Haddeland suggested Senators examine the tax exemption for clothing in light of that practice.

Sen. Charles Wiger (DFL-North St. Paul) presented a bill, S.F. 2539, providing for construction of baseball stadium in St. Paul. St. Paul Mayor Randy Kelly said, "We have the will, we have the financing and we have the desire" to make St. Paul the home of the Minnesota Twins. Wiger said the bill empowers the St. Paul City Council to impose two taxes, within the city, to pay bond obligations for stadium construction. Included in the bill are a tax of up to 3 percent on food, beverages and entertainment within the city and a surcharge of at least \$1 per ticket on all events at the ballpark. The bill also includes a provision, added in a previous committee, giving the naming rights of the ballpark to the city of St. Paul. Wiger said the bill is designed to finance a roof-ready stadium costing about \$300-350 million. Kelly said the stadium will seat between 38,000 and 40,000 spectators.

Hennepin County Commissioner Mike Opat and Minneapolis Mayor R.T. Rybak presented a proposal siting a ballpark in Minneapolis, next to the Target Center arena. Opat said the proposal envisions a \$370 million roof-ready stadium seating 35,000 to 38,000 people. Rybak said the plan is far cheaper than any other plan, because other plans ignore related infrastructure costs that are built into the planned Minneapolis site. He said the location, in the heart of the city's entertainment district, comes with parking, transit and the expected "experience" of attending a game.

Sen. Dean Johnson (DFL-Willmar) briefly reviewed his stadium proposal, which reconstitutes the Metropolitan Sports Facilities Commission and relies on private financing, Metropolitan Council revenue bonds and user fees to finance a \$330-\$340 million stadium in the seven-county Metro Area. He said a new Sports Facilities Account created in his plan can be used for funding a new football facility and renovations to existing facilities for professional basketball and hockey.

A plan to finance a new football stadium for the Minnesota Vikings and University of Minnesota Gophers football teams was presented by Senators Steve Kelley (DFL-Hopkins) and David Johnson (DFL-Bloomington). The plan, Kelley said, envisions a shared stadium located on the university campus. He said the facility will seat 70,000 people and cost about \$440 million. The facility will include a retractable roof, which Kelley said was a key feature for both teams. Kelley said the proposal leaves concerns about operating costs for later, but also does not rely on revenue streams, such as concessions fees, that can be accessed by the teams to pay operating costs.

Though not a plan providing for a new stadium, S.F. 2656 was also briefly discussed by the committee. The bill, carried by Sen. Ellen Anderson (DFL-St. Paul), is a community ownership plan for the Minnesota Twins. It provides for 25 percent of the team to be owned by a managing partner, who will be responsible for daily team operations and will be the organizational representative to Major League Baseball. Under the bill, corporate partners and major investors will be able to purchase another 25 percent of the team, with a 5 percent cap on individual accumulation of shares. The remaining half of the team will be available for sale to average Minnesotans, Anderson said. She said a major misconception is that Major League Baseball prohibits such an arrangement. Anderson clarified that MLB requires a managing partner, but does not explicitly forbid community ownership of teams. She said all shareholders will be able to vote on any attempt to move the team, effectively preventing the Twins from leaving the state.

Private citizen Tony Spadafora also presented a proposal he developed for adjoining stadiums for professional baseball and football as well as collegiate football. The proposal creates a “sports

mall complex” funded entirely by the private sector.

Telecommunications, Energy and Utilities

911 fee increase debated

Members of the Telecommunications, Energy and Utilities Committee, chaired by Sen. James Metzen (DFL-South St. Paul), met Thurs., Feb. 14, to hear a bill relating to anti-terrorism measures.

S.F. 2683, carried by Sen. Jane Ranum (DFL-Mpls.), includes various anti-terrorism measures, but of interest to the committee was the proposal to increase the monthly 9-1-1 emergency telephone service fee from 27 cents to 49 cents. Of the 49 cents, 20 cents per month—an increase of 10 cents—is used for public safety answering points, 2 cents per month for the development and implementation of a communication system connecting firefighters with emergency medical services providers and 1 cent per month for grants for medical resources communication efforts. Also of interest to the members is a proposal to partially reimburse local units of government for the purchase of emergency preparedness equipment. According to Ranum, the proposals in the bill are meant to prevent communication failures, which, she said, was a major issue after the attacks in New York on Sept. 11.

R.J. Frascone, medical director of Regions Hospital, spoke in support of the bill. He said the monthly 1 cent increase for medical resource communication efforts will help Medical Resource Control Centers—a central radio control facility that coordinates ambulances, hospitals and patients—to maintain and upgrade their facilities. According to Frascone, the main function of the facilities is to distribute appropriate patients to the appropriate hospitals in an appropriate amount of time. Frascone said there are two such facilities in the Twin Cities area which, in the case of terrorist attack or natural disaster, would be vital in providing a central radio communication point to help prevent chaos. However, Frascone said that without the extra funding the East Metro communications facility might close.

John Dejung also spoke in support of the bill. He said the extra 10 cents per month for public safety answering points—the center where a 9-1-1 call is received—is needed to provide a reliable system that

saves lives, reduces crimes and property damage and instills public confidence. He said one specific area that must be upgraded is the ability to find the location of a cellular telephone user, since 40 percent of all 9-1-1 calls come from cell phones. However, currently, he said, this is impossible.

The bill was laid over for further discussion.

Metzen carried S.F. 2392, which makes a number of changes to the provision of 9-1-1 services. The bill provides that the Public Utilities Commission is no longer required to approve payments to service providers of 9-1-1 services before the department can issue reimbursements, requires providers of 9-1-1 services to be paid for their services and directs the Department of Administration to focus on the operation and maintenance of 9-1-1 services instead of on designing standards. Metzen said the bill modernizes language written in 1977, streamlines the reimbursement process and makes the system more equal to all involved.

Kirsten Cecil, from the Department of Administration, said the bill has a fiscal impact and estimated a need of \$750,000 to meet the requirements of the bill. She also said extra staff in the department may be needed—or self-certification should be established—to process the reimbursement requests currently done by the Public Utilities Commission. She said the added burden on the department may cause delays.

Sen. Dennis Frederickson (R-New Ulm) offered to amend the section of the bill requiring the department to grant a waiver to those applying for all or portions of various requirements. His amendment allows the department to grant the waiver instead of requiring it. The amendment was adopted. Metzen said he would work with the department regarding its concerns. The bill was approved and re-referred to the State and Local Government Operation Committee.

Metzen also carried S.F. 3022, which requires that a public utility allow access to 9-1-1 service if the public utility provides telephone service in a 9-1-1 service area. The measure also extends deadlines for certifying reimbursable costs. The bill eliminates the monthly fixed fee of 27 cents that a public utility can charge for each customer access line and changes it to between 8 and 35 cents monthly. According to the department, 9-1-1

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expenses will exceed available funds by more than \$4 million, and Cecil said the change in fee is needed to cover current expenses. The bill was laid over for further discussion.

S.F. 2987, also carried by Metzen, makes changes to the Telecommunications Access for Communication Impaired Person Program by broadening the range of contractors with whom the commissioner of commerce can contract for operation and maintenance of the relay service and requires the vendor to operate the relay service in the state. The bill also changes the name of the fund from the telecommunication access for communication impaired person to the telecommunication access Minnesota fund. The bill was approved and sent to the Senate floor.

Telecom services debated

Members of the Telecommunications, Energy and Public Utilities Committee, chaired by Sen. James Metzen (DFL-South St. Paul), met Tues., Feb. 19, to hear a bill that creates a public telecommunications services fund.

The bill, S.F. 3025, carried by Sen. Steve Kelley (DFL-Hopkins), creates the public telecommunications fund in the state treasury and requires that the fund be supported by a fee increase equal to 1 percent of the gross receipts from retail sales of telecommunications services. It requires the account to fund the learning network of Minnesota by fiscal year 2004, the telecommunications access revenue program by 2003 and the regional library telecommunication aid by 2003. The bill requires the creation, by 2004, of an emergency response network using Internet technology that enables communication between fire departments, fire stations and hospitals. The measure funds, beginning in 2004, a hospital emergency communications network that must use an existing telephone network and Internet technology, with the goal of connecting all hospitals in Minnesota to one interoperable network. The bill also requires the account to fund the shortfall, if any, in 2003 for the MnLink program and directs the development of a specific funding plan consistent with the regional distribution method recommended by the Legislature to integrate the funding for the learning network and library aid.

According to Kelley, the 1 percent fee increase raises \$43 million per year. He said the bill is designed to ensure that

public agencies have access to high technology telecommunications services and to provide a source of permanent funding for the services.

Vernal Hasbargen, from the Minnesota Rural Education Association, testified in support of the bill. She said the funding is needed for students to have access to Internet services in all grades throughout the state. She said polls indicate that 85 percent of teachers in Minnesota use the Internet as an aid. Also, she said 29 percent of all districts use the Internet for course instruction, while 77 percent of all districts would like to use the Internet for instruction. She said the issue isn't just a rural concern, but a statewide concern. However, she said that what is needed to provide Internet services is stable funding.

Tom Lehman, with Minnesota Hospital and Healthcare Partnership, also testified in support of the bill. He said connecting hospitals through an emergency network will help provide better communication in times of emergency.

Sen. Mark Ourada (R-Buffalo) said he was concerned about adding a surcharge that would be passed down to the consumer. He said there were other bills discussed in the committee that proposed additional surcharges as well. A regular telephone bill is already filled with various charges, Ourada said. He said the proposal may be accomplished more appropriately through the bonding process as a long term infrastructure need. Sen. Dennis Frederickson (R-New Ulm) also had concerns regarding the surcharge. He said the surcharge may be small, but added on to other charges it begins to add up. Kelley said increasing the surcharge on a percentage basis charges the heaviest users more. The bill was laid over for further discussion.

Sen. LeRoy Stumpf (DFL-Thief River Falls) carried S.F. 3222, a bill that relates to broadband access and availability. The bill, called the Minnesota Broadband Access Availability Act, defines "broadband" to mean high speed, switched telecommunications capacity that enables users to originate and receive high quality voice, data, graphics and video communications using any communications transmissions technology. It creates the Minnesota broadband access availability account in the special revenue fund, and requires that it be funded through a monthly 42 cent surcharge added to end user bills for each customer access line, a

voluntary check-off on end user bills that allows users to add up to \$1 to the bill for the account and through fines assessed against communications providers for specific quality of service failures. The bill transfers the money from the 42 cent surcharge to the Department of Children, Families and Learning to fund broadband infrastructure for k-12 public school districts and libraries. It also appropriates up to 10 percent of other money collected for matching grants to community telecommunications development projects and statewide industry marketing partnerships and appropriates the remaining balance for grants to communications providers to support the development of broadband service in unserved or under served areas.

Mike Martin, from the Minnesota Cable Communications Association, testified in opposition to the bill. He said he opposes the bill because cable companies many times already provide the services proposed in the bill without subsidy and without tax increases. He said cable companies have spent billions of dollars to upgrade their technology. Martin also said cable companies already serve primarily rural areas, provide high speed modem services and provide services to 78 percent of Minnesota schools, as well as many colleges and universities. The bill was laid over for further discussion.

Kelley offered S.F. 3272—called the Telecommunications Privacy Act—which protects the disclosure by a telecommunications provider of customer information. According to the bill, customer information can only be released if certain qualifications are met. The bill also requires telecommunications providers to provide an impartial and prompt resolution of disputes, provide a sufficient number of customer service representatives to give adequate service and to make a supervisor immediately available upon request. Providers must give accurate price comparisons on all material and sales calls and provide written notice of price increases or changes in service.

"The primary goal is to protect telephone customers from disclosure of telephone numbers they call, or the telephone numbers of people who call them, or other information telephone companies get about an individual during the course of providing them service," said Kelley. The bill was approved and referred to the Judiciary Committee.

Kelley also carried S.F. 2908, a bill that deals with Internet privacy and commercial electronic mail solicitation. The bill prohibits an Internet service provider from disclosing personally identifiable information except under certain circumstances and requires a provider to furnish a consumer with a secured account. The bill also prohibits a person from sending an email message that uses another party's domain name without permission, that misrepresents the originator of the message or that contains false or misleading information in the subject line. It requires the sender of commercial emails to include a toll-free telephone number or return email address that may be contacted to notify the sender not to send any more unsolicited email documents.

"It's an attempt to get at the problem of junk email," Kelley said. The bill was approved and re-referred to the Judiciary Committee.

Sen. Claire Robling (R-Prior Lake) carried H.F. 2624. The bill creates a special law that increases the membership of the Shakopee Public Utilities Commission from 3 to 5 members. Current law sets the membership of all commissions at 3. Robling said the bill is designed to help deal with the growth in the region. She also said that if one person is currently missing from the commission there are only two commissioners remaining to make multi-million dollar decisions. The bill was approved and sent to the Senate floor.

S.F. 2801 was offered by Sen. Gen Olson (R-Minnetrista). Similar to H.F. 2624, the bill increases the membership of the Delano Public Utilities Commission from 3 to 5 members as well. The bill was approved and sent to the Senate floor.

Sen. Larry Pogemiller (DFL-Mpls.) carried S.F. 3285, which makes the Crown Hydroelectric project exempt from property taxes. The project, located on the West Bank of St. Anthony Falls in Minneapolis, will be capable of producing approximately 20 million kilowatt hours of electricity annually. Commercial operation is expected by Sept. 2003. The bill was approved and re-referred to the Tax Committee.

Transportation

Transportation bills gain

The Transportation Committee, chaired by Sen. Dean Johnson (DFL-Willmar), met Tues., Feb. 19, to hear

discussion regarding several bills. Sen. Steve Murphy (DFL-Red Wing) carried S.F. 3191, a transportation housekeeping bill that repeals obsolete statutes. An amendment that conveys to Wisconsin a small section of land in Buffalo County, Wisconsin owned by Minnesota was adopted. Betsy Parker from the Department of Transportation (MnDOT) said one provision of the bill eliminates combinations of state-aid and county-aid roads on the same street. The bill was recommended to pass and sent to the floor. Johnson carried an additional transportation housekeeping bill that reduces the number of vehicle inspections and records audits by MnDOT for motor carriers with historically good safety records. Sen. Satveer Chaudhary (DFL-Fridley) moved to delete the reduced inspections and audits provision because the good safety records of the motor carriers were perhaps due to the high number of inspections and audits. Chaudhary withdrew his motion after Johnson explained the bill would be laid over until the next meeting.

Sen. Michelle Fischbach (R-Paynesville) sponsored S.F. 2422, a bill that clarifies that a motor vehicle dealer has ten business days after a car purchase to deliver the title application to the Department of Motor Vehicles (DMV). Fischbach said dealers found it difficult to submit timely title applications within ten total days, including weekends and holidays. An amendment was adopted that allows dealers to calculate the base value of the car for registration tax purposes at the time of purchase, not at the time of processing. The bill was recommended to pass and sent to the floor. S.F. 2633, carried by Sen. Keith Langseth (DFL-Glyndon), limits the restrictions on 15-year-olds with "farm work" drivers licenses. Langseth said the bill extends driving hours from 6 to 10 from daylight hours, allows the youth to drive a radius of 100 miles from home instead of the current 20 miles, and instead of restricting driving to "farm work", the youth can now drive for any purpose to assist the parents. Sen. Mark Ourada (R-Buffalo) said the bill accelerates the trend of rising applications for such licenses while the number of farms continues to decline. Department of Public Safety (DPS) official Jo Kopcinski said the department had no opposition to the bill, but was concerned about the 100 mile radius provision. Gene Halvorsen from the State Patrol said the bill allows

farm families more freedom and isn't a big enforcement problem. An amendment to reduce the 100 radius provision to 50 miles, offered by Sen. Sandra Pappas (DFL-St. Paul), was adopted. The bill was recommended to pass and referred to the floor.

Sen. Richard Cohen (DFL-St. Paul) carried S.F. 3076, a bill that he said strengthens existing law by specifying penalties for intentional and unintentional obstruction of emergency vehicles. Failure to yield to an emergency vehicle remains a petty misdemeanor, but intentional failure to yield or obstruction is a misdemeanor under the bill, Cohen said. The bill also allows officers up to four hours to arrest serious offenders on probable cause, he said. The bill was recommended to pass and re-referred to the Crime Prevention Committee. Murphy carried S.F. 2715, a bill that limits fines to \$10,000 for weight violations based on shipment records. The bill also reduces the period after shipment that the state can inspect records from 30 to 14 days. The bill was recommended to pass and referred to the floor.

Johnson carried S.F. 3178, a bill that requires the DPS to determine if males between the ages of 18 and 26 are in compliance with the Selective Service Act when applying for a new or renewed drivers license. Legal Counsel Bonnie Berezovsky explained that if the applicant is not registered, the department must submit his name to the selective service system. The bill was laid over to hear testimony from a selective service representative.

S.F. 3278, carried by Sen. Linda Scheid (DFL-Brooklyn Park), requires drivers education programs to include 30 minutes of instruction concerning organ and tissue donation. "Education is the most fundamental part of a successful organ donation program," Scheid said. Susan Gunderson from LifeSource said, while 96 percent of Minnesotans support organ donation, only 6 out of 10 actually make the choice to donate. Other states have similar education provisions, Gunderson added. The bill was approved and re-referred to the State and Local Government Operations Committee.

Driver's license bill debated

A bill limiting the duration of noncitizens driver's licenses was the focal point of debate at the Wed., Feb. 20, meeting of the Transportation Committee.

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The panel, chaired by Sen. Dean Johnson (DFL-Willmar), spent much of the hearing discussing the measure, S.F. 2855. The bill, sponsored by Sen. Jane Ranum (DFL-Mpls.), ties the duration of Minnesota driver's licenses and identification cards to the expiration date of a noncitizen's visa or admission document. Ranum said the measure is part of the anti-terrorism initiative she is carrying this year, but that the portion of the measure relating to driver's licenses needed to be discussed by the Transportation Committee. Ranum said it is important to have a debate on the policy of tying the expiration dates for driver's licenses and visas together.

Members adopted an amendment allowing for a 6-month extension of a driver's license for individuals who are in the process of extending their visas or applying for permanent resident alien status.

The bill was approved on a roll call vote of 9-6 and sent to the Senate floor.

In other action, the panel also approved a bill requiring driver's license applicants who must register with the Selective Service to provide proof of Selective Service registration. The bill was amended to specify that the measure applies to persons under the age of 26 who must register with the Selective Service. The bill was approved and forwarded to the full Senate.

Members also approved S.F. 3101, sponsored by Sen. Don Samuelson (DFL-Brainerd), and sent the measure to the floor. The bill authorizes a joint venture between the Dept. of Natural Resources, the Dept. of Transportation and Crow Wing County to provide travel information at a new rest area to be constructed near the Crow Wing State Park.

Several additional bills were advanced at the evening hearing. S.F. 160, authored by Sen. LeRoy Stumpf (DFL-Thief River Falls), provides reimbursement to fire departments for expenses incurred in extinguishing motor vehicle fires within the right-of-way of a trunk highway or interstate highway. The measure was re-referred to the Finance Committee. S.F. 1603, sponsored by Sen. Chuck Fowler (DFL-Fairmont), appropriating money for grants to towns to pay expenses of clearing snow from town roads, was also re-referred to the Finance Committee. S.F. 3243, carried by Sen. Linda Higgins (DFL-Mpls.), clarifies a provision requiring parked vehicles to be parallel

with the curb. The measure was approved and advanced to the floor.

S.F. 3184, sponsored by Sen. David Tomassoni (DFL-Chisholm), modifies provisions governing road inspections, first hauls, and weight allowances for commercial motor vehicles. The bill also transfers authority relating to weight restrictions on county routes to county road authorities and reallocates proceeds of fines for violations occurring on county roads. Members adopted an amendment providing for a northern zone load restriction study before approving the bill and advancing the measure to the floor.

Finally, members also approved and sent to the floor a bill authorizing private vehicles escorting funeral processions to use flashing red lights. S.F. 2612, authored by Sen. Dave Kleis (R-St. Cloud), was amended to delete a provision allowing the private vehicles to override traffic signals when escorting funeral processions, before being advanced.

Transportation and Public Safety Division

Bond requests heard

The Transportation and Public Safety Division, chaired by Sen. Dean Johnson (DFL-Willmar), met Wed., Feb. 20, to consider several measures containing trunk highway bonding requests.

S.F. 2336, authored by Sen. LeRoy Stumpf (DFL-Thief River Falls), appropriates \$4.45 million from the trunk highway fund to design, construct, furnish and equip a vehicle maintenance building in Pennington County for joint use by the county and the Dept. of Transportation, the Dept. of Public Safety and the Dept. of Natural Resources.

Sen. Mark Ourada (R-Buffalo) carried S.F. 2639. The measure establishes a trunk highway corridor-protection demonstration project. Ourada said the bill also requires the commissioner of transportation to report findings and appropriates \$500,000 for the project. Ourada said, "We have heard a lot about the costs of acquiring right-of-way. We know Highway 55 will be expanded eventually and we want to protect the corridor now. It is a heavily traveled, high growth area," Ourada said. The key thing here is the local units of government working with MnDOT, he said.

A bill to complete work on the Great River Road in Aitkin County was also heard. S.F. 2730, authored by Sen. Becky Lourey (DFL-Kerrick), appropriates \$9.52 million from the bond proceeds fund for the work. Lourey said the stretch in Aitkin County is the last part in the state to be finished, but the county does not have the resources to complete the project on its own. Johnson said the bonds specified in the bill are general obligation bonds, rather than trunk highway bonds, unlike the other bond requests heard by the panel. John Welle, representing Aitkin County, said completion of the road would aid in drawing tourists to the area, particularly since the road has been designated a "national scenic byway." Welle said the project could be broken down into phases, costing approximately \$2 million per segment. Sen. Claire Robling (R-Prior Lake), asked about the costs of acquiring right-of-way and delaying until the numbers of cars increase. "I do understand the importance of acquiring the corridor," Robling said. Welle said it would cost about \$500,000 for pre-engineering and right-of-way acquisition.

Members also heard S.F. 3062, a bill that provides \$30 million to complete Trunk Highway 610 as a four-lane freeway. The measure, sponsored by Sen. Warren Limmer (R-Maple Grove), is designed to complete the project and connect with I-94. "The highway was envisioned as sort of a North Metro bypass, and would relieve congestion on I-94 and I-694," he said. The state and federal governments have invested \$184 million already and we just have a few segments to finish, Limmer said.

The panel also heard S.F. 3299, carried by Johnson. The bill provides funding for a variety of projects from the trunk highway fund. Specifically, the bill appropriates \$14 million for a replacement district headquarters building in Mankato for a combined Dept. of Transportation, State Patrol and driver's license examination station. In addition, the measure appropriates \$9.5 million for the consolidation of the central shop, electrical services and central inventory center into one location. Finally, the bill appropriates \$2 million to convert the existing analog microwave backbone to digital communications equipment.

No action was taken on any of the bills, but all the measures will be considered for inclusion in the division's transportation funding bill.

Preview

Monday, February 25

The Senate will be in session at 11:30 a.m.

E-12 Education Budget Division

Chair: Sen. LeRoy Stumpf

1 p.m. Room 112 Capitol

Agenda: S.F. 177-Berg: Authorizing severance levy for ISD 2853-Lac Qui Parle. S.F. 2509-Betzold: Authorizing levy for ISD 14-Fridley. S.F. 2659-Sams: Permanent funding source for career, technical education. S.F. 2723 Ring: Extending disabled access levy for ISD 578-Pine City. S.F. 2746-Scheid: Authorizing intermediate school district to levy for judgments. S.F. 2766-Sabo: Restoring integration revenue to S.D. 1-Minneapolis. S.F. 2847-Wiger: Restoring voter approved referendum funding in certain circumstances. S.F. 2992-Betzold: Allow levying for operational costs of swimming pools. S.F. 2522-Schwab: Authorizing declining pupil unit aid for ISD 241-Albert Lea. S.F. 2689-Vickerman: Shared aid time follows student to non-resident district. S.F. 2935-Vickerman: Fund transfer for ISD 836-Butterfield. S.F. 3130-Fowler: Fund transfer for ISD 458-Truman.

Health and Family Security Committee

Chair: Sen. Dallas Sams

1 p.m. Room 15 Capitol

Agenda: To be announced.

Higher Education Budget Division

Chair: Sen. Deanna Wiener

1 p.m. Room 107 Capitol

Agenda: Presentation of required Post-Secondary Planning Report by Robert Bruininks, executive vice president and provost of University of Minnesota and Linda Baer, senior vice chancellor for Academic and Student Affairs of Minnesota State Colleges and Universities (MnSCU). Presentation of MnSCU's required reports by Linda Baer, senior vice chancellor for Academic and Student Affairs; Craig Froke, system director for Program Collaboration; Jim Luoma, vice chair of MnSCU Board of Trustees; Kimberly Leiter, student; Craig Schoenecker, system director for Research and Planning and Judy Borgen, associate vice chancellor for Budget.

Environment and Agriculture Budget Division

Chair: Sen. Leonard Price

4 p.m. Room 318 Capitol

Agenda: S.F. 2125-Moe, R.D.: Designation of Consolidated Conservation lands. S.F. 2674-Krentz: Omnibus game and fish bill.

Tuesday, February 26

Environment and Natural Resources Committee

Chair: Sen. Jane Krentz

9 a.m. Room 107 Capitol

Agenda: S.F. 2664-Scheevel: Modifying prohibition on pollutant discharge. S.F. 2770-Higgins: Solid Waste Advisory Committee recommendations. S.F. 2738-Price: DNR fiscal policy bill. S.F. 2931-Krentz: Agriculture and pollution control anti-terrorism bill. S.F. 3013-Lourey: Open air swine lagoon prohibition. H.F. 3116-Vickerman: Modifying LCMR citizen advisory committee. S.F. 3134-Higgins: PCA obsolete rules bill.

State and Local Government Operations Committee

Chair: Sen. Jim Vickerman

1 p.m. Room 107 Capitol

Agenda: S.F. 3072-Anderson: Creating a Department of Workforce and Economic Development; eliminating the Dept. of Economic Security and the Dept. Trade and Economic Development. H.F. 2642-Lesewski: Modifying a reporting requirement for the inspector of mines. S.F. 2546-Fischbach: Directing the cities of Rockville and Pleasant Lake and the town of Rockville to develop a consolidation plan. S.F. 2472-Vickerman: Providing for temporary officeholders in townships. S.F. 3034-Pogemiller: Authorizing certain contracting with public or private cooperative purchasing organizations. S.F. 3168-Stevens: Bidding exceptions for certain water tank service contracts.

Telecommunications, Energy and Utilities Committee

Chair: Sen. James Metzger

1 p.m. Room 15 Capitol

Agenda: S.F.2672-Tomassoni: Minnesota Economic, Environmental and Energy Security Act of 2002.

Income and Sales Tax Budget Division

Chair: Sen. Don Betzold

4 p.m. Room 318 Capitol

Agenda: S.F. 2867-Ranum: Property and sales tax exemptions for low income housing. S.F. 2810-Fowler: Sales tax on food uniform application requirements. S.F. 3248-Rest: Sales tax exemptions for seller prepared bakery products, unheated ready to eat meat and seafood and food requiring consumer preparation. S.F. 3165-Higgins: Sales tax exemption expansion for low income housing construction materials, supplies and equipment. S.F. 3112-Higgins: Sales tax exemption for low income

housing projects construction materials, supplies and equipment. S.F. 3077-Higgins: Sales tax exemption expansion for low income housing construction materials, supplies and equipment. S.F. 3057-Schwab: Sales tax exemption for meat packing or processing facility materials, supplies, equipment and machinery. S.F. 3303-Rest: Sales tax on aggregate materials and concrete block delivery charges. S.F. 3179-Murphy: Metropolitan area aggregate material removal fees. S.F. 2956-Bachmann: Sales tax exemption for seller prepared bakery products; biomedical innovation and commercialization initiative repeal. S.F. 2914-Rest: Sales tax exemption for printed materials delivery or distribution.

Property Tax Budget Division

Chair: Sen. Don Samuelson

4 p.m. Room 15 Capitol

Agenda: S.F. 3036-Pogemiller: Department policy bill. S.F.3038 Betzold: Department technical bill. S.F. 3127-Samuelson: Providing economic development tax incentives. S.F. 2442-Kierlin-TIF extension, city of Rushford. S.F. 2525-Schwab-Authorizing TIF district. S.F. 2796-Rest: TIF, modifying deficit reduction provisions. S.F. 2896-Pogemiller: TIF grant fund transfer. S.F. 3001-Rest: TIF grant fund transfer. S.F. 3047-Orfield: TIF Authorizing cities to include 200 parcels in housing replacement district. S.F. 2426-Kinkel: Exempting certain attached machinery. S.F. 2651-Day: Exempting certain utility attached machinery. S.F. 3190-Lesewski: Exempting wind energy conversion systems from property tax. S.F. 3149-Anderson: Extending time for certain improvements to certain older homesteads are excluded from valuation for property tax. S.F. 2921-Betzold: Levies to pay health insurance premiums are not subject to levy limits. S.F. 2536-Wiener: Extension of property tax and special assessments deferred on certain property dedicated to the arts.

Wednesday, February 27

Commerce Committee

Vice Chair: Sen. Linda Scheid

9 a.m. Room 112 Capitol

Agenda: To be announced.

Crime Prevention Committee

Chair: Sen. Jane Ranum

9 a.m. Room 15 Capitol

Agenda: To be announced.

Education Committee

Chair: Sen. Sandra Pappas

1 p.m. Room 123 Capitol

Agenda: To be announced.

Health and Family Security Committee

Chair: Sen. Dallas Sams

1 p.m. Room 15 Capitol

Agenda: To be announced.

Income and Sales Tax Budget Division

Chair: Sen. Don Betzold

4 p.m. Room 318 Capitol

Agenda: S.F. 3263-Pogemiller: Sales tax exemption elimination for pesticides, fungicides and pesticides. S.F. 3166-Fowler: Mortgage registry tax; exempting certain agricultural loans. S.F. 3038-Betzold: Tax provisions technical corrections and administrative changes. S.F. 2512-Scheevel: Income tax subtraction for military pension or retirement income. S.F. 2906-Rest: Corporate franchise tax cross reference corrections. S.F. 2928-Rest: Corporate franchise tax sales based net income apportionment formula phase in. S.F. 2973-Higgins: Income tax education credit modifications. S.F. 3000-Pogemiller: Tax provisions modifications. S.F. 3036-Pogemiller: Tax policy and administration provisions modification.

Property Tax Budget Division

Chair: Sen. Don Samuelson

4 p.m. Room 15 Capitol

Agenda: S.F. 2440-Frederickson: Extension of homestead credit for split class property. S.F. 2708-Lesewski: Extension of homestead credit for split class property. S.F. 2743-Fischbach: Extension of homestead credit for split class property. S.F. 2484-Oliver: Exempting noncommercial seasonal recreational property from the state property tax. S.F. 3063-Oliver: Creating a credit for land donated for conservation purposes. S.F. 2613-Langseth: Two year property tax exemption for newly constructed homes in certain border cities. S.F. 2876-Langseth: Class rate reduction for land

bordering water. S.F. 2962-Langseth: Temporarily extending homestead classification to certain property used for non-homestead purposes. S.F. 3291-Langseth: Requiring amount for lake improvement district be shown separately on property tax statement. S.F. 2867-Ranum: Exempting low income housing owned by a qualified non-profit agency from property tax. S.F. 3011-Stumpf: Changing class rates on certain property. S.F. 3105-Sams: Increasing agriculture homestead market value credit. S.F. 3116-Hottinger: Limiting eligibility for residential homestead market value credit. S.F. 3247-Lessard: Modifying calculation of levy limit base. S.F. 3294-Kinkel: Delaying date by which taxes on certain resort property must be paid. The following bills all increase city aid base: S.F. 2700-Murphy, S.F. 2701-Murphy, S.F. 2717-Dille, S.F. 2718-Dille, S.F. 2718-Dille, S.F. 2778-Fischbach, S.F. 2885-Fowler, S.F. 2975-Larson, S.F. 2997-Lourey, S.F. 3237-Larson, S.F. 2751-Samuelson.

Joint House-Senate Subcommittee on Claims

Chair: Rep. Bill Haas

6 p.m. Room 500N State Office Building

Agenda: Claims against the Dept. of Corrections.

Thursday, February 28

The Senate will be in session at 8:30 a.m.

State and Local Government Operations Committee

Chair: Sen. Jim Vickerman

1 p.m. Room 107 Capitol

Agenda: S.F. 2682-Johnson, Douglas: Making the Metropolitan Airports Commission a division of the Department of Transportation.

Income and Sales Tax Budget Division

Chair: Sen. Don Betzold

4 p.m. Room 15 Capitol

Agenda: S.F. 3338-Kiscaden: Rochester additional lodging tax imposition authority. S.F. 3287-Belanger: Bloomington lodging tax rate increase. S.F. 3042-Johnson, Douglas: Ely sales and use tax imposition and bonding authority. S.F. 135-Lourey: Expanding uses for Hermantown sales tax. S.F. 134-Lourey: Authorizing Cloquet to impose sales tax. S.F. 1822-Kleis: Allowing St. Cloud, Sartell, Sauk Rapids, Waite Park, St. Joseph and St. Augusta to impose local sales and use taxes to fund certain projects. S.F. 2416-Lesewski: Sales tax exemption for businesses in small cities.

Friday, March 1

Commerce Committee

Vice Chair: Sen. Linda Scheid

9 a.m. Room 112 Capitol

Agenda: To be announced.

Crime Prevention Committee

Chair: Sen. Jane Ranum

9 a.m. Room 15 Capitol

Agenda: To be announced.

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Noontime Tues., Feb. 26, found the corridors of the Capitol bustling with activity.
Photo by Shelley Hawes



March 1, 2002

Senate Highlights

Senate overrides veto

The focal point of the Thurs., Feb. 28, floor session was the successful override of the governor's veto of the omnibus budget reconciliation bill. The other body had voted to override the veto at its Wed., Feb. 27, session.

Sen. Roger Moe (DFL-Erskine), when taking the measure from the table and preparing for the vote, said the prospect of overriding a gubernatorial veto is a very serious matter for the Legislature. "This is a historic day," Moe said, "and the Legislature approaches the vote with appropriate seriousness."

He said, "We spelled out early on how we would deal with the budget shortfall by first remedying the problems for FY 02 and FY 03. We will now move on to the structural problems for FY 04 and FY 05. None of these are easy decisions and certainly the second phase is going to be more difficult than the work represented by the bill before us."

Moe also said, "We are committed to positioning the state to rebound economically and to positioning the budget to maintain our credit rating."

"It is important to override the veto to get the first phase behind us and move on to solving other problems. We are commit-

ted to working with administration to replenish the budget reserve and to resolve the demographically driven structural problems. We reach out to all members in this process," Moe concluded.

Sen. Douglas Johnson (DFL-Tower) made the motion to override and said, "In this case, we have had a bipartisan effort to resolve the shortfall. I would hope in phase two, the harder part of the process, that we have tripartisan cooperation. We override the veto knowing our job in the next few weeks becomes even tougher."

The Senate voted 60-7 to override the governor's veto and repass the bill. The bill now becomes law.

In other action, Sen. Deanna Wiener (DFL-Eagan), sponsored a resolution congratulating the 24 Minnesotans who participated in the recently completed Winter Olympic Games.

The Senate met daily this week to handle procedural motions, move bills between committees and process bill introductions.

At the floor session Tues., Feb. 26, members also granted final passage to a bill conforming to federal rules regarding lifetime registration for sexual offenders. S.F. 3019 is sponsored by Sen. Jane Ranum (DFL-Mpls.).

Forecast discussed

Members of the Tax Committee met Mon., Feb. 25, to discuss the economic forecast released earlier in the day by the Department of Finance.

Chaired by Sen. Lawrence Pogemiller (DFL-Mpls.), the panel heard a brief overview of the forecast from Senate Director of Fiscal Policy Analysis Mark Misukanis. He said the deficit for FY 02-03 has increased by about \$336 million since the November forecast. Misukanis said H.F. 351, the budget reconciliation agreement, resolves about \$1.8 billion of the total deficit for the current biennium, \$2.289 billion.

Language regarding the accelerated sales tax payments in the omnibus tax bill passed in 2001, he said, was clarified by the Department of Finance and shifted the impact of the change in the buyback of the acceleration to FY 04. Thus, the remaining deficit for FY 02-03, after enactment of H.F. 351, is about \$439 million, Misukanis said.

Pogemiller said the numbers for Senators to consider in the next biennium are a \$438 million permanent deficit and a one-time problem of \$507 million in FY 04. Misukanis said members may also want to consider debt service payments, which are \$10 million in FY 03, \$38 million in FY 04 and \$70 million in FY 05.

Later in the hearing, members heard testimony on the forecast from Commissioner of Finance Pamela Wheelock. She said both the November 2001 and most recent forecast assume strong economic growth by the end of calendar year 2002. However, she said, Minnesota will not fare as well as the national average. The impacts on payroll and the wage base at the end of 2001, she said, were larger than the declines felt in other states. While Minnesota will experience growth, Wheelock said, it will be on a much smaller base.

Several Senators, including Sen. Edward Oliver (R-Deephaven) and Sen. Bob Kierlin (R-Winona) challenged the forecasting data used by the department. Oliver asked if the agency that provides the department with data, DRI, gives a range of economic forecasts. Wheelock said department practice is to use the "control forecast," which is given a 55

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percent likelihood of being correct. DRI, she said, also provides an optimistic forecast and a pessimistic forecast, with 15 percent and 30 percent likelihoods respectively. Kierlin said he believes the DRI forecast is overly pessimistic for the year. Kierlin said the layoffs in 2001 will mean advances in productivity, which will in turn create significant growth with minimal inflation. Wheelock said she disagreed and added that figures for the fourth quarter of 2001 could still be revised downward.

Kierlin also said he challenged the assumptions underlying the revenue section of the forecast. The current state of the economy, he said, affects future payments of estimated taxes. Current estimated tax payments cannot be used to reflect the current state of the economy, Kierlin said. Rather they reflect the state of the economy several months ago, he said. Kierlin also said that the area of greatest change in the forecast is also the area that is the most volatile and most suspicious—capital gains and bonus payments.

In other business, the committee also heard testimony regarding financing plans for stadiums for professional and collegiate sports. The committee had before it S.F. 1857, a bill carried by Sen. Dean Johnson (DFL-Willmar), which will serve as a vehicle for a stadium financing program.

Buzz Anderson, Minnesota Retailers Association, said a proposed wholesale gross revenues tax on sports memorabilia will pose significant problems for retailers. He pointed to disadvantages of imposing the tax at the wholesale level, including forcing distributors based in Minnesota to impose the tax on items that are shipped to stores not in the state and requiring goods entering the state to be taxed upon import. He also said that retailers will lose out to online merchants, who will not pay the tax.

Sen. Steve Kelley (DFL-Hopkins) asked how retailers would react to a loss in sales volume if professional football and baseball leave the state. He said a tax at the wholesale level, rather than the retail level, allows the state to continue to participate in the streamlined sales tax project. Fans, Kelley said, have indicated their willingness to do their part, including paying more for memorabilia, to help keep the teams in Minnesota.

Several representatives of the rental car industry also testified against provisions in stadium plans that impose a fee on car rentals. David Hanson, Enterprise Rent-A-Car, said the logic that the fee will be imposed on non-Minnesotans is flawed. More than half of all rental car reservations in Minnesota, industry-wide, are made by local residents, he said. Other cities, Hanson said, that do impose a fee on rentals to pay for stadiums do not approach the 15.7 percent total taxation that is already levied on car rentals in Minnesota.

Alyssa Schlander, Minnesota Auto Dealers Association, said the fee amounts to a misery tax. She said people who rent cars from dealerships are renting because of an unplanned repair situation. Schlander also said the taxes and fees imposed on rentals are starting to get burdensome on renters.

Mark Jorgenson, a Minneapolis resident and St. Paul business owner, said voters have their chance to influence policy during regularly scheduled elections. It is the responsibility of elected officials, he said, to listen, consider and decide. "You should be the best prepared to decide" on a plan of stadium financing and not resort to referendums, Jorgenson said.

No action was taken on S.F. 1857.

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Senate Media Services has announced the release of a CD-ROM tour of the Capitol, called "A Building for All..."

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An image from "A Building for All..."

Photo by David J. Oakes

Committee update

Agriculture, General Legislation and Veterans Affairs

Fertilizer bill approved

Members of the Agriculture, General Legislation and Veterans Affairs Committee, chaired by Sen. Steve Murphy (DFL-Red Wing), met Fri., Feb. 22, to hear a bill regulating the use of fertilizers containing phosphorus on lawns.

S.F. 1555, authored by Sen. Linda Higgins (DFL-Mpls.), prohibits the use of a fertilizer containing phosphorous on a lawn in a metropolitan county. The measure also prohibits the use of granular fertilizer containing more than 3 percent phosphorous, and the use of liquid fertilizer at a rate greater than 0.3 pounds per 1,000 square feet, to lawns in non-metropolitan counties. The bill, however, allows phosphorous fertilizer to be applied when a lawn has been shown through testing to have not enough phosphorous to support healthy growth, during the growing season if seed or sod is being applied, on a golf course and when the property owner is applying a natural organic product that contains less than two percent phosphate. Higgins said the bill does not apply to agricultural use of phosphorous fertilizers—such as in fields—and applies only to lawns.

Shorewood Mayor Woody Love spoke in favor of the bill. He said many times phosphorous fertilizer is used unnecessarily in lawns that already have plenty of phosphorous—which is a needed nutrient—and the excess runs off into nearby lakes and streams.

Hennepin Parks Limnologist John Barten, who said he has managed Minnesota lakes for 25 years and studied lawn runoff for 20, also testified in support of the bill. He said approximately 70 percent of the urban landscape is made up of lawns, so it was not surprising that they contribute to the use of pollutants. Barten discussed a recent University of Minnesota study of lakes in Plymouth—which adopted an ordinance in 1995 restricting phosphorous fertilizer use—and in Maple Grove, which has no such ordinance. The Plymouth sites, he said, showed 23 percent less total phosphorous and 43 percent less dissolved phosphorous than the Maple Grove sites. Also, he said that the water quality in Maple Grove's Weaver Lake has decreased since 1991, and while the

quality of Fish Lake has increased slightly, he noted that the city spent over \$100,000 to improve it. As opposed to this, Barten said the water quality of two studied Plymouth lakes improved—one dramatically—without any money spent on them. He said that he wasn't claiming the Plymouth ordinance was completely responsible for the condition of the two lakes, but added, "it certainly appears the ordinances are having the desired affect."

Sen. Dallas Sams (DFL-Staples) offered an amendment that specifically prohibits any local unit of government from regulating or restricting the use of fertilizers for agricultural use. The amendment was adopted.

Sen. Steve Dille (R-Dassel) moved an amendment that was divided into and voted on in three parts. The first part specifies that a specialty fertilizer must not be below or exceed the guaranteed analysis by more than the investigational allowances established by rule. That part of the amendment was adopted. The second part of Dille's amendment specifies that the provisions preempt any local government ordinances that prohibit or regulate fertilizer containing phosphorous. Because Sams' amendment dealt with the same issue, that part of the amendment was withdrawn. Finally, the third part of Dille's amendment eliminates the exemption for use of phosphorus fertilizer in a metropolitan county for natural organic fertilizer. The amendment was adopted.

Christopher Riley, from the specialty chemical producer McLaughlin Gormley King Company and representing Responsible Industry for a Sound Environment (RISE), testified in opposition to the bill. He said it wasn't true that there is enough phosphorous in the soil. He said if phosphorous is taken out and not replaced there won't be any. He also pointed to a study done at the University of Wisconsin that reported that the phosphorous concentration in storm water runoff from unfertilized turf was greater than that of fertilized turf. The study, he said, found that there was no relationship between the rate of phosphorous fertilizer application and runoff from the lawns.

Responding to Riley's two points, Dille said there is replacement of phosphorous in the soil through natural means. There is a tremendous natural reserve, and when people mow their lawns, or when leaves fall to the ground, he said, the matter decays and replenishes the soil.

Dille said for 30 years he has tested sections of his farm for phosphorous and the level has never gone down. However, Dille also said that he had a difficult time believing that phosphorous fertilizers have such a large influence on runoff. Such things as decaying leaves, he said, pose a bigger problem, but he added that he was still hopeful the bill will make a small difference.

Ron Struss, from the Minnesota Board of Water Resources, spoke against a part of the bill that prohibits applying phosphorous fertilizer to an "impervious surface," such as a highway or a street. He said local government officials won't know if a fertilizer contains phosphorous or not and as a result is difficult to enforce. Dille moved to amend the bill to prohibit all fertilizers from being applied to impervious surfaces. The amendment was adopted. The bill was approved and sent to the Senate floor.

Members also heard several bills that were laid over for inclusion in the omnibus agriculture bill. Dille carried S.F. 3267, which extends eligibility for certain loan programs to include family farm partnerships. The bill also requires a prospective borrower for a beginning farm loan to participate in a farm management program for three years instead of five and extends the value-added agricultural product loan program to include farmers financing the purchase of stock in a limited liability company or limited liability partnership.

Sen. Arlene Lesewski (R-Marshall) authored two bills, S.F. 3268 and S.F. 3269. S.F. 3268 changes current law to allow the inspection of grain subject to the United States Grain Standards Act of 1976 both inside and outside the state. The measure also allows the Department of Agriculture to enter into agreements with seed potato certification entities for various purposes and amends the current definition of "grain buyer" to include those who purchase grain for the purpose of making products from the grain. S.F. 3269 simply changes the effective dates of certain Minnesota food rules to be uniform with federal standards.

Murphy carried three bills, S.F. 3325, S.F. 2815 and S.F. 3219. S.F. 3325 clarifies requirements under agricultural contracts and S.F. 2815 establishes a process to recognize and assist efforts by counties to maintain or expand their livestock sector. S.F. 3219 changes

pesticide provisions in current law. Members then voted to include the language of the previous bills into S.F. 3219, approved the bill and sent it to the Senate floor.

Members also listened to a presentation regarding the extension program at the University of Minnesota from Dean and Director of the Extension Service Charles Casey and Robert Bruininks, executive vice president and provost.

Spill reimbursement bill approved

Members of the Agriculture, General Legislation and Veterans Affairs Committee, chaired by Sen. Steve Murphy (DFL-Red Wing), met Wed., Feb 27, to hear a bill changing provisions in current law regarding reimbursement to farmers for the clean up of agriculture related fertilizer and pesticide chemical spills.

S.F. 3353, carried by Sen. Dallas Sams (DFL-Staples), limits the amount of reimbursement an individual may receive for cleaning up contaminated sites to \$100,000 per year. The bill changes the formula for reimbursement from 90 percent to 80 percent of the total costs under \$350,000 and prohibits the reimbursement of more than 50 percent of the costs for any subsequent incidents at a single site. The bill also changes the license application surcharge and defines “emergency incident.”

Greg Buzicky, from the Minnesota Department of Agriculture, said the account that is used to reimburse farmers for cleanup is low on funds. He said the bill is designed to decrease expenditures by reimbursing less money.

Sen. Steve Dille (R-Dassel) offered an amendment that allows reimbursement for a subsequent incident in an emergency situation, such as arson or an act of nature. The amendment was adopted.

Sen. Jim Vickerman (DFL-Tracy) offered an amendment deleting the definition of emergency incident and deleting the requirement that reimbursement for a subsequent incident be no more than 50 percent.

Roger Strand, chair of the Agricultural Chemical Response and Reimbursement Account (ACRRA) Board, which determines eligibility and levies the reimbursements, spoke on behalf of the amendment. He said the board already has the discretion to deal with issues of recontamination. He said reoccurrence is unusual, but added that the board has

reduced reimbursements by between 10 and 75 percent in the past for subsequent incidents. He said the board is in place to deal with such issues and has the ability to make decisions without legislation.

Sen. Becky Lourey (DFL-Kerrick) said she was reluctant to remove the 50 percent provision. It provides an incentive, she said, for farmers to avoid mistakes. Sams said he opposed the amendment. The amendment failed to be adopted.

Sen. Kenric Scheevel (R-Preston) offered an amendment to change the amount allowed for a second incident within 5 years of a previous incident to 60 percent of the costs. That amendment was adopted. The bill was approved and re-referred to the Finance Committee.

Sen. Dan Stevens (R-Mora) authored S.F. 3256. The bill changes current law to exempt those who prepare and sell food at a community event or farmers’ market with gross receipts of less than \$5,000 from the prepared food items licensing provisions. Current law specifies that those who sell the food must do so on less than 10 days per year with receipts of less than \$1,000. Stevens offered an amendment that requires the organizer of community events or farmers’ markets to keep a list of all those selling prepared foods and requires those selling to accurately label the foods for ingredients. The label must also include the name and address of those preparing and selling the foods. The amendment was adopted.

Regarding the amendment, Sen. Arlene Lesewski (R-Marshall) said it seemed onerous to require people to label every ingredient in their product. She also said she was concerned with the provision requiring a list of participants to be kept.

Stevens said farmers’ markets already keep lists of participants. He said because many people are allergic to certain foods, proper labeling should be required. Stevens also said the name and address of the seller is needed in case it is necessary to track a food borne illness. He added that labeling helps promote the product anyway.

“I don’t see anything here that is overly restrictive,” he said.

Allen Gardener, from the Minnesota Farmers Market Association, said sellers of homemade foods aren’t required to list everything, such as various food additives labeled on commercial products. He said he didn’t see any problem with requiring general labeling, and said it should only take a few seconds to do.

Kevin Elfering, from the Food and Berry Inspection Division within the Minnesota Department of Agriculture, said the labeling is meant to increase the awareness and safety of the product. He also said identification is necessary to track illness if it occurs.

“We just want to make sure the product is identified properly,” he said.

Dille said all the regulations seemed unnecessary. He asked if anyone had ever complained from a lack of labeling.

Responding, Elfering said the only complaints the department has received come from licensed bakeries, which are sometimes in competition with community markets. He said the bakeries wonder why they must have such stringent labeling requirements while those who sell their wares in a market do not.

Scheevel moved to eliminate the ingredient labeling requirement. The amendment was adopted. Sen. Twyla Ring (DFL-North Branch) moved to reconsider the Stevens amendment. It was reconsidered and divided between the section requiring a list of participants be kept and the section requiring a name and address on the food being sold. The first section was not approved and the second section not voted on. The bill, in its original form prior to the Stevens amendment, was then approved and sent to the Senate floor.

Sen. Mark Ourada (R-Buffalo) authored S.F. 1811, which allows the transfer of a public drainage system to a water management authority. The bill was approved and sent to the Senate floor.

Commerce

Athletes’ agent bill okayed

Members of the Commerce Committee, chaired by Sen. Linda Scheid (DFL-Brooklyn Park), heard testimony regarding several bills Fri., Feb. 22. A bill that requires all agents of student athletes to register in the state was carried by Sen. Deanna Wiener (DFL-Eagan). S.F. 2827, also known as the Uniform Athlete Agent Act, requires the commissioner of the Commerce Department to issue agent certifications and oversee the regulation of the registered agents, Wiener said. University of Minnesota Compliance Officer Frank Cerra said the bill provides good protection for both student-athletes and institutions. The bill was recommended to pass and re-referred to the Crime Prevention Committee.

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Sen. Warren Limmer (R-Maple Grove) carried S.F. 2913, a bill that allows retirees from several professions to continue to use their professional designation as long as it is preceded by the word “retired.” Retired engineer Jerry Unger said he wanted to maintain his professional designation because he had worked hard to get it and feels it helps him in his current volunteer activities. The bill was recommended to pass and be placed on the Consent Calendar.

Several small businesses that cater to immigrants were casualties of an unintended consequence of the Money Transmitter Act passed last year, according to Sen. Steve Kelley (DFL-Hopkins). He carried S.F. 3174, a bill that lowers the bonding and net worth requirements for small electronic money transfer businesses. The bill allows small, immigrant-owned businesses, which often provide the sole means to send money to family members in remote areas across the world, to remain open. The bill was recommended to pass and sent to the floor.

“It is important for Americans to have faith in securities,” said Attorney General Mike Hatch, when he testified in support of S.F. 3016, a bill that prohibits CPAs from providing accounting and consulting services to the same client. “This won’t happen in Congress,” Hatch said. “People in the state want something done.” The bill author’s, Sen. Douglas Johnson (DFL-Tower), said the bill is to prevent the conflicts-of-interest that exist when CPAs play dual roles for clients.

Scott Nelson from the Minnesota Society of Certified Public Accountants acknowledged that in the wake of the Enron scandal some CPA reform was necessary, but he opposed the state bill. “Necessary reform should come from comprehensive analysis at the federal level,” Nelson said. “If [reform is] undertaken at the state level, it will result in a patchwork of uneven and cumbersome rules.” The bill was laid aside.

Scheid carried S.F. 2821, a bill that pertains to rules and regulations surrounding real estate licensees. Among the provisions in the bill, Scheid said the commissioner of commerce is required to cite the specific statute or rule that was violated when conducting an investigation of a real estate licensee. Minnesota Association of Realtors representative Susan Dioury said the provision prevents licensees from being forced to respond to

complaints that are not violations. Commerce official Mary Lippert disagreed, saying usually the department doesn’t know the nature of the violation until well after the investigation has commenced. Scheid also said the bill requires licensees to disclose material facts about any adverse physical conditions of a property to potential purchasers, but deems the fact the house was the site for a homicide, suicide or felony or is located near an adult family home as immaterial. Dioury said any disclosures, beyond the physical condition of the house are ambiguous and impossible to codify. The bill protects licensees from frivolous lawsuits from remorseful buyers, she said. Several committee members said the disclosures to purchasers should go beyond the objective facts. Lippert said the Commerce Department had no official position. Lippert said the department did object strenuously to an additional provision in the bill that prevents the commissioner from facilitating monetary settlements between consumers and licensees when a licensee has been named in a complaint. Dioury said bill supporters believe paying off consumers to settle complaints is inappropriate for a regulatory body. The bill was recommended to pass and sent to the floor.

Sen. Dallas Sams (DFL-Staples) carried S.F. 2532, the Minnesota Health Plan Contracting Act. Scheid said the bill was merely going to be discussed, but not voted on. Sams explained the bill primarily modifies prior authorization request requirements and establishes requirements for provider contracting. The bill allows providers to leave prior authorization information regarding procedures with the health plan via voice mail or electronic communication, Sams said. Currently, providers must speak with health plan representatives, he said, often a very inefficient and time-consuming process. Among other provisions included in the bill are allowable payments that are defined by the legislation and not unilaterally by health plans, requirements for health plans to disclose all relevant information regarding allowable payments within 90 days of a signed provider contract, and requirements for health plans to provide written explanations and provide appeals processes for recoupsments of over \$1,000. Several providers spoke in support of the bill and said that the provisions financially benefit health plans and providers alike.

Sen. William Belanger (R-Bloomington) offered an amendment that deleted the entire bill except for the provision that deals with prior authorization requests. The committee heard continued discussion from opponents of the bill, including Michael Scandrett, executive director of the Minnesota Council of Health Plans. “Legislative language is not going to solve the problem,” Scandrett said. He said that health plans are committed to making changes and that there has already been positive improvements in the relationship between plans and providers. Minnesota Chamber of Commerce official Carolyn Jones said there is no question that the system is broken, but trying to legislate disputes between plans and providers does little to help consumers.

Belanger withdrew his amendment, and the bill was laid aside.

Auto glass addressed

The Commerce Committee, led by Vice Chair Linda Scheid (DFL-Brooklyn Park), devoted the bulk of its Wed., Feb. 27, hearing to the issue of auto insurance and auto glass repair and replacement. Discussion centered on a bill carried by Sen. James Metzen (DFL-South St. Paul), S.F. 2553. The bill repeals provisions in state law requiring the commissioner of commerce to conduct a market survey to determine fair and reasonable market prices for auto glass services.

Metzen said the main issue is price gouging by glass service companies. “I thought we resolved this several years ago,” he said, “when limits were established on promotional giveaways to attract customers.” However, Metzen said, the system established isn’t working very well. Sen. Cal Larson (R-Fergus Falls) said the average cost of windshield replacement has gone up considerably in the state, almost 20 percent in the last year.

Stuart Henderson, president of the Western National Mutual Insurance Company, said other states do not have as great a problem with escalating auto glass costs as Minnesota. He said the free market isn’t being allowed to work in Minnesota. Insurance companies can easily cover the cost of higher replacement and repair rates, he said, by rolling the increases into increased premiums. “This is not a money issue for me, but a moral issue,” Henderson said.

Commissioner of Commerce James Bernstein said the current system has not worked because two competing factors have pulled the auto glass industry apart. Some glass service companies, he said, are severely overpricing—even charging up to three times as much as other competitors. At the same time, at least one insurance company is effectively driving glass service companies out of the market by setting a price from which it will not differ, even by \$5 or \$10.

Bob Johnson, Insurance Federation of Minnesota, said most consumers do not comparison shop auto glass services. He said consumers are usually driven by a desire to have their auto glass fixed or replaced quickly and efficiently.

Addressing issues of so-called “steering,” whereby insurers direct vehicle owners to use a certain network of auto glass service providers, Sen. Deanna Wiener (DFL-Eagan) offered an amendment requiring third-party call center employees to inform callers of their rights under Minnesota law to choose any service provider and to identify who the call center employee works for. Two consumers testified about negative experiences they had with similar call centers. Both consumers identified specific glass service companies they preferred to use, but were told by call center employees that using those companies would require the insurer to get a competitive bid from another glass service company, require the vehicle owner to pay the glass service company and accept partial reimbursement from the insurer for the amount of the competitive bid. Such activity, the consumers said, is viewed by its opponents as coercion and steering.

Bernstein said the Department of Commerce is currently not pursuing any of the steering complaints that it receives. He said the department has limited resources and proving steering is much more difficult than proving price gouging. Most complaints, Bernstein said, are not on quality of work issues with glass service companies. Assistant Commissioner Gary Levasseur said steering is often not as overt as the examples related to the committee. Most consumers, he said, do not have a specific company in mind when they call their insurer.

A representative of State Farm Insurance said, “Our position as a company is to protect the interests of all policyholders.” He said part of that goal is processing

claims simply and efficiently. He defended the use of third-party call centers as a sign of efficiency. With over 71,000 auto glass related claims filed last year, he said, State Farm cannot devote internal resources to handling each case.

Johnson said language in the amendment requiring callers to hear sections of statute verbatim will turn many callers off and they will simply hang up. The amendment was not adopted. S.F. 2553 was approved and sent to the full Senate.

In other business, members of the panel also considered two bills relating to the use of credit scoring in insurance. S.F. 3345, authored by Sen. David Tomassoni (DFL-Chisholm), requires insurance companies that use credit scoring in auto and homeowner’s insurance to give their agents access to that information about insured parties and applicants. S.F. 2363, carried by Sen. David Johnson (DFL-Bloomington), prevents insurers from using credit information as the sole basis for rejection, cancellation or nonrenewal of an automotive or homeowner’s policy. The bill also requires insurance companies that use credit scoring to file their methodologies with the Department of Commerce before implementing the plans or within 120 days of enactment of the legislation. Both bills were advanced to the floor.

Sen. John Hottinger (DFL-Mankato) carried a bill eliminating an expiration date in a statute giving a franchisee the right of first refusal when a motor vehicle fuel franchiser sells its interest in marketing premises occupied by a franchisee. He said the law has been useful to gas station owners or operators who wish to remain in business when a larger corporation is selling its interest in the station. The bill was sent to the floor.

Crime Prevention

New verdict bill heard

A bill authorizing a verdict of “guilty but mentally ill” dominated debate at the Fri., Feb. 22, meeting of the Crime Prevention Committee. S.F. 2618, authored by Sen. Douglas Johnson (DFL-Tower), provides for the new kind of verdict as an alternative to the “not guilty by reason of insanity” verdict that exists in current law.

Johnson said, “The main motivation for the bill is to lock up people who commit violent crimes and not let them get off with an insanity plea.” Johnson also

said the new verdict provides victims with the security of knowing offenders are off the streets. “It is good policy to provide treatment, but it is also good policy to have people sentenced for their crimes,” he said.

Discussion on the measure revolved around the difficulty of proving insanity if the defendant didn’t want to admit mental illness. John Kingry, representing the County Attorneys Association, said proving mental illness is both difficult and expensive because of the high thresholds that must be met and because of the need to call expert witnesses.

The bill specifies that a person found guilty but mentally ill may be treated like any other guilty offender except that there is a requirement that the person be treated for mental illness.

Sen. Thomas Neuville (R-Northfield) offered an amendment that clarifies that a person may be found guilty but mentally ill only if the person has asserted a defense of insanity. The amendment also specifies that if the person still suffers from mental illness 90 days prior to the person’s release date, the commissioner of corrections must make a preliminary determination whether a civil commitment petition is appropriate. The amendment was adopted. The bill was approved and advanced to the Finance Committee.

In other action, the committee, chaired by Sen. Jane Ranum (DFL-Mpls.), approved three additional bills. S.F. 3073, authored by Sen. David Knutson (R-Burnsville), clarifies the standard for a misdemeanor violation of an order for protection. Under the bill, a crime occurs if the person knows of the existence of an order for protection. Currently, the person must have been served to violate an order for protection. S.F. 3167, sponsored by Sen. Don Betzold (DFL-Fridley), authorizes access to data for purposes of the commissioner of corrections’ preliminary determination of whether a petition of civil commitment as a sexual psychopathic personality or sexually dangerous person is appropriate. S.F. 3076, carried by Sen. Richard Cohen (DFL-St. Paul), imposes a misdemeanor penalty for intentionally obstructing an emergency vehicle during emergency duty. All three bills were advanced to the full Senate.

Police powers debated

The Crime Prevention Committee devoted most of the Wed., Feb. 27,

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hearing to a debate on police powers. At issue was a bill, S.F. 3055, expanding the police powers of the Metropolitan Transit Police to include the authority to conduct secondary investigations and issue search warrants. The measure, authored by Sen. Don Betzold (DFL-Fridley), clarifies the jurisdiction of the Metropolitan Transit Police and authorizes Metropolitan Transit Police Officers to apply for and execute search warrants. According to Jack Nelson of the Metropolitan Transit Police, the bill gives the Transit Police the same powers given to the Minneapolis Park Police, the Metropolitan Airport Police and the University of Minnesota Police.

The bill, though, was not the main issue of debate. Discussion centered on an amendment, offered by Sen. Leo Foley (DFL-Coon Rapids), that eliminates the authority of employees of the Dept. of Natural Resources, while engaged in employment in connection with recreational areas to have powers of peace

officers when designated by the commissioner.

The amendment touched off a debate about the scope of the peace officer powers the commissioner may delegate and the training necessary for other peace officers. Foley said, "Currently, DNR employees have broad police powers, but with the advent of the Peace Officers Standards and Training Board, the intent of the Legislature has been to have peace officers obtain the necessary credentials to carry out their duties." Neil Melton, of the Peace Officers Standards and Training Board, said that although the board had no official position, it is important that peace officers be POST Board certified. Anthony Cornish, representing Conservation Officers, said, "The intent of the amendment is to take away the commissioner's authority to make peace officers out of anyone, because everyone is at risk if Natural Resource Officers are allowed to have the peace officer powers."

However, Michelle Beeman, legislative director for the DNR, argued against the amendment. Beeman said the commissioner's authority provides flexibility in using scant resources more effectively.

Betzold said the subject of DNR employees was raised in the other body and that the companion bill contains language similar to the amendment. He also said that he thought the issue would be better served in a separate bill.

Committee Chair Jane Ranum (DFL-Mpls.) said members seemed reluctant to grant broad police powers, but also were reluctant to hamper the ability of the DNR to issue citations to persons who were violating the laws relating to natural resources. Sen. Satveer Chaudhary (DFL-Fridley) said, "In a perfect world, the department would be able to have all the conservation officers that it needs, but in reality it is necessary to provide as much flexibility as necessary to protect the state's natural resources."



WWII veterans Robert "Buster" Skallerud of Madison, left, and Pat Murphy of Maple Grove listen to discussion, at an Education Committee hearing Wed., Feb. 27, on a bill requiring the recitation of the pledge of allegiance in all public schools.

Photo by David J. Oakes

Sen. Dave Kleis (R-St. Cloud) offered an amendment restricting the authority of DNR employees to issue citations for petty misdemeanors, after having undergone the appropriate training. However, members pointed out that many of the violations in the DNR statutes were misdemeanors, rather than petty misdemeanors. Kleis withdrew the amendment, but Sen. Thomas Neuville (R-Northfield) offered an amendment specifying employees, after having received training, may issue citations for misdemeanors committed in their presence. The amendment to the amendment was adopted. Members failed, though, to adopt the Foley amendment. The bill was then approved and advanced to the full Senate.

In other action, the panel advanced three additional bills. S.F. 2827, sponsored by Sen. Deanna Wiener (DFL-Eagan), provides for registration of agents of student athletes. Wiener said the bill was before the committee because of a provision specifying a gross misdemeanor penalty for violations of the registration law. Members approved the bill and re-referred the measure to the Judiciary Committee. Members also approved S.F. 3373. The bill, sponsored by Sen. David Knutson (R-Burnsville), requires public employees, officials and officers to make reports of unlawful actions to a law enforcement agency as well as to the state auditor. The bill was also re-referred to the Judiciary Committee. S.F. 3244, carried by Sen. Grace Schwab (R-Albert Lea), authorizes electronic signature on laboratory blood sample reports. The bill was approved and recommended for placement on the Consent Calendar.

Education

Pledge bills debated

Discussion at the Education Committee meeting held Wed., Feb. 27, was dominated by two competing bills that pertained to recitation of the pledge of allegiance in state schools. Sen. Satveer Chaudhary (DFL-Fridley) said he was interested in broadening students' exposure to American history and national symbols long before Sept. 11. He carried S.F. 1716, a bill that requires public and charter schools to provide regular opportunities for civics education, including, but not limited to, the recitation of the pledge of allegiance and discussion of the history and meaning of the pledge. Chaudhary

added that school boards have the right to waive the requirement and students or teachers can be excused from participation if they object to the pledge.

"I saw so much disrespect for our flag," said Virgil Persing from the American Legion, speaking on behalf of the bill. "I think it's time to start telling children what the flag means."

Sen. Michele Bachmann (R-Stillwater) offered an amendment that had more emphasis on a daily statewide requirement to recite the pledge of allegiance. The amendment was rejected 12-13. Sen. Kenric Scheevel (R-Preston) said he felt Chaudhary's bill was a distinct attempt to prevent the other pledge bill from being heard. Committee Chair Sandra Pappas (DFL-St. Paul) said her intention was to be fair and to submit a bill to the committee that could be passed without being used as a litmus test for patriotism. Sen. Cal Larson (R-Fergus Falls) said he thought it would be logical to hear only the pledge bill that has a companion bill in the other body. The bill was laid on the table.

The other pledge bill, authored by Sen. Mady Reiter (R-Shoreview), was amended to match the language in the companion bill in the other body. Reiter said S.F. 2411 sends a strong message that the pledge of allegiance is important, but allows students, teachers and districts to opt out. Speaking against the bill, Sen. Steve Kelley (DFL-Hopkins) said he felt strongly about the principle of government not mandating that students recite a pledge. Sen. Julie Sabo (DFL-Mpls.) said schools already have the right to say the pledge as much as they like. Sabo and Sen. David Tomassoni (DFL-Chisholm) both offered amendments that tempered the mandatory language in the bill, but both proposals failed. The bill was recommended to pass and sent to the floor.

Cecilia Dodge of the Department of Children, Families and Learning (CFL) explained two amendments that the department wished to incorporate into S.F. 2736, the CFL policy bill. One amendment spells out the education rules and regulations for youth in care and treatment facilities, including detention centers, said Dodge. The other provision makes mediation voluntary between parents and districts when disputes arise. Both amendments were approved and sent to the E-12 Division to be incorporated into the CFL policy bill.

Kelley carried S.F. 3028, a bill that authorizes the Minnesota Commission on National and Community Service (MCNCS) to create and delegate duties to a private, nonprofit corporation. Kelley said that in addition to encouraging young citizens in the state to participate in democracy, the bill creates a structure for national youth service in the state.

"The bill allows the department to be reinvented as an entrepreneurial organization that can successfully leverage private and federal funds to increase opportunities for Minnesotans to serve their communities," said MCNCS official David Nasby. He added the department administers the federal AmeriCorps program in the state and that the bill allows greater access to the federal funds.

The bill was recommended to pass and re-referred to the State and Local Government Operations Committee.

Members approved the appointments of Richard Berge, Robert Duncan, Paul Johnson, Phil Koprowski, James Potter and Mark Sathe to the Board of the Minnesota State Academies.

Members also approved the appointments of Patricia Anderson, Alex Boies, Renee Jenson, and Marjorie Barton Savage to the Board of the Lola and Rudy Perpich Minnesota Center for Arts Education.

Finally, members approved the appointments of Carol Blomberg and David Rowland to the Minnesota Higher Education Facilities Authority.

E-12 Education Budget Division

School levy bills heard

A dozen bills authorizing school levies were considered by the E-12 Education Budget Division, when the group met Mon., Feb. 25. Sen. LeRoy Stumpf (DFL-Thief River Falls), division chair, said all the bills requiring levies would be laid over until it was clear there would be funding for the measures.

Sen. Julie Sabo (DFL-Mpls.) brought forth a bill she said is needed to keep desegregation programs running in Minneapolis. "Schools don't create segregation," she said, "but we look to schools to solve it." The bill, S.F. 2766, provides for the Minneapolis school district to levy for the sum of \$446 times the adjusted pupil units for the school year and an additional \$90 times the adjusted

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pupil units for the school year that is provided entirely through a local levy.

Sabo said that last year the Legislature made the appropriations to Minneapolis and St. Paul school districts equal, even though Minneapolis has a greater need for desegregation funding. She said that after a lawsuit brought by the NAACP, Minneapolis has had to bus 2,000 students to schools in the suburbs.

Sen. Martha Robertson (R-Minnetonka) said the Legislature did not exactly cut the funding for desegregation, but instead restricted the uses for compensatory funding. She said the shortage could be solved by re-allowing the spending of the money for miscellaneous expenses. She said that if the amounts for incremental and compensatory funding are added together, Minneapolis actually got more money this year than last.

Sen. Linda Scheid (DFL-Brooklyn Park) presented a bill, S.F. 2746, that allows intermediate school districts to levy funding needed to pay for judgements. She said the bill had no cost to the state because there were no immediate judgements pending against intermediate school districts. However, she said, the bill is needed to prevent future problems. She said currently intermediate school districts must rely on individual districts to levy for judgements. Robertson said the risk of judgements against intermediate districts is greater than for regular school districts, because intermediate districts tend to have more special needs children.

Sen. Charles Berg (R-Chokio) offered a measure, S.F. 177, that allows Lac Qui Parle schools to levy funding in order to pay for staffing needs. Berg said that when several schools merged to form the Lac Qui Parle District, only the most senior staff stayed on board. He said soon the schools will experience a rush of teachers toward retirement, with little funding for new teachers and pensions.

Sen. Jim Vickerman (DFL-Tracy) brought forth two requests for levies. The first, S.F. 2935, allows for a fund transfer for Butterfield schools. The bill allows for the transfer of \$117,000 from the district's capital reserves to its general fund. The exchange is needed, said Vickerman, because the school has been using general fund money to pay for capital projects and is now in a quarter-million dollars in debt. The bill was amended into the E-12 policy bill.

Vickerman's other bill, S.F. 2689, permits shared aid time allowances to follow students to non-resident districts.

Vickerman said the bill has no fiscal impact because the money is already in the funding formula, yet would increase learning opportunities for students and give them greater choice. The measure was attached to the E-12 policy bill.

S.F. 3130, authored by Sen. Chuck Fowler (DFL-Fairmont), okays a fund transfer for the Truman schools. He said the transfer is needed to alleviate \$600,000 of debt for the school district. The schools, he said, have over \$600,000 in their capital fund that would be better used for general purposes. The bill was added to the E-12 policy bill.

Sen. Grace Schwab (R-Albert Lea) authored S.F. 2522, which authorizes declining pupil unit aid for schools in Albert Lea. She said the money is needed because a fire at the Farm Land Foods plant in the city caused many residents to lose their jobs and leave the school district. "What has happened to my community could not have been planned for or foreseen," she said.

S.F. 2723, presented by Sen. Twyla Ring (DFL-North Branch), extends the deadline for Pine City schools to levy for disabled access needs. Ring said the school now needs bleachers, restrooms and playground equipment that are accessible, in addition to the original needs.

Sen. Don Betzold (DFL-Fridley) offered a measure that allows Fridley schools to levy to pay for the operational costs of a community education building. Director of Fridley Community Education Jackie Johnson said the building is over 50 years old and is extremely costly to maintain. Last year, she said, community education spent \$200,000 on the facility and could not raise class prices to cover the cost. Betzold said several other communities were having similar problems with operational costs for community education and the bill could be broadened to include them.

Betzold also offered S.F. 2992, which permits schools to levy to cover the expense of swimming pool maintenance. He said many districts have pools that they cannot afford to maintain. Sen. Martha Robertson (R-Minnetonka) said that compared with the many urgent needs for schools, swimming pools should be very low on the priority list.

Higher Education Budget Division

Required reports heard

Members of the Higher Education Budget Division heard a series of reports, Mon., Feb. 25, from the University of Minnesota and Minnesota State Colleges and Universities. The annual reports are required of the institutions under a state law passed last year.

The reports to the division, chaired by Sen. Deanna Wiener (DFL-Eagan), include a joint report on Metropolitan Area planning and reports from MnSCU on the Minnesota Transfer Curriculum, academic priorities of the system, instructional spending within MnSCU and fiscal accountability.

Robert Bruininks, executive vice president and provost of the U of M, said a joint discussion of post-secondary opportunities within the Metropolitan Area allows both the U of M and MnSCU to think creatively. He said public post-secondary institutions in the Metro Area serve over 75,000 full-year equivalent students each year, or about one-third of the state's higher education market. Bruininks also said the Metro Area is growing faster, and more diverse, than the rest of the state. Linda Baer, MnSCU senior vice chancellor for academic and student affairs, said there is minimal duplication between the two institutions. She said the process of inter-system transfers is improving, allowing for a smoother transition for students. Future efforts include targeting existing resources more specifically within the Metro Area, identifying areas of greatly increasing demand for lifelong learning, coordinating resources with preK-12 education systems, and expanding partnerships to include private colleges and pre-collegiate education systems, Bruininks said.

Sen. Anthony "Tony" Kinkel (DFL-Park Rapids) asked Baer and Bruininks about the new federal testing agenda. Baer said any educational testing should be accompanied by programs that resolve issues identified in test results. "I do believe you measure what you value," Bruininks said, though he acknowledged that one can also test excessively without gain. He said high school students should be encouraged to take preparatory requirements for post-secondary education. Bruininks also emphasized the importance

of taking the ACT exam as a signal of seriousness about post-secondary education.

Vice Chair of the MnSCU Board of Trustees Jim Luomo said the board is committed to making the Minnesota Transfer Curriculum successful for MnSCU students across the state. He said thousands of students transfer every year and thousands of times the transfer system works. However, Luomo said, we hear a lot about the few times it doesn't work.

Luomo said there are three key points about transferring. "Students need to be responsible," he said. While MnSCU can provide them with good counseling and good resources, Luomo said, students also need to exercise common sense and utilize those resources to their fullest extent.

Luomo also said the technology behind the transfer system needs to work and that transferring works both ways, both to and from two-year and four-year degree programs. In all cases, he said, the goal must be "a degree with integrity." Baer and Craig Roke, system director for program collaboration, explained several technical aspects of the transfer system. They said that all MnSCU institutions have implemented or are implementing the Minnesota Transfer Curriculum and that an online student manual has been developed, allowing students and transfer specialists to plan ahead.

Baer and Craig Schonecker, system director for research and planning, identified the five program areas of highest priority to MnSCU as business and information technology, education, engineering and manufacturing technology, health care, and protective services and law enforcement. They said MnSCU has reallocated over \$20 million annually, over the past three fiscal years, to address the priorities. Baer and Schonecker said MnSCU is working to increase enrollment of first-generation students. Baer said 18 campuses participate in a federal grant program specifically aimed at first-generation students. Regarding graduation and transfer-out rates, Schonecker said the colleges had a combined rate increase from 53.5 percent in 1999 to 53.8 percent in 2000. He said the universities' graduation rate increased from 39.7 percent in 1999 to 41.2 percent. At the request of one institution, he said, the system tracked transfer rates for the institution and found that a large share of non-graduates leaving did transfer to another MnSCU institution.

Further data, he said, will track transfers from MnSCU universities. Schonecker said MnSCU graduation and transfer rates are comparable to or higher than similar institutions across the country. Baer said customized training revenue, or revenue from contracts with employers for MnSCU to provide educational resources, increased by 14.6 percent from FY 2000 to FY 2001. Total customized training revenue in FY 01, she said, was \$19 million.

Reporting on instructional spending, Judy Borgen said MnSCU general fund spending on instruction and academic support declined from 63.8 percent of total general fund expenditures in FY 2000 to 63.3 percent in FY 2001. She said the decline was because the system was faced with escalating costs in physical plant spending, especially for fuel. Borgen, who serves as associate vice chancellor for budget, said actual dollar spending did increase, by over \$32 million, but that relative to the budget as a whole, instructional spending decreased.

Borgen also reported on how MnSCU allocated state appropriations, the FY 02 tuition rates and fees, and the amount of funding leveraged by institutions within the system. Borgen said MnSCU institutions used almost \$7.5 million in state money to leverage over \$30 million in other support in FY 01. During the first six months of FY 02, she said, the institutions have used almost \$7.5 million in state funds to leverage over \$23 million. Borgen said the expected total in leveraged funds will be over \$30 million by the end of the fiscal year. Kinkel noted that MnSCU allocated almost \$24 million in inflation as part of institution budgets for FY 02. He told members of the panel that the figures listed for each institution are what may be cut if inflation is not factored into budget calculations for FY 04-05.

Environment and Natural Resources

Bears, habitat bills heard

The Environment and Natural Resources Committee met Thurs., Feb. 21, and heard five bills on topics ranging from bear hunting and wildlife habitat to consolidated conservation lands and feedlot provisions.

Sen. Leonard Price (DFL-Woodbury) brought S.F. 3240 before the committee.

The measure delays the start of the bear hunting season until after Labor Day. He said the bill addresses a concern about the safety of people vacationing in the woods where bear hunters are present. "We try very hard as a state to promote tourism through Labor Day," he said.

Edward Boggess, from the Dept. of Natural Resources (DNR) wildlife division, said there have been four accidents involving bear hunters in the past five years. All of the accidents, he said, involved people who were hunting. He said the DNR is hesitant to bump the start of the season back because later in the season bears become more nocturnal and harder to hunt. He said bear hunting is crucial for tourism, because more non-Minnesota residents hunt bear in this state than any other animal.

Sen. Twyla Ring (DFL-North Branch) asked if the DNR could make the season shorter but increase the number of licenses. Boggess said raising the number of hunters may become a safety issue and does not necessarily augment the number of bears caught. The committee laid the bill over.

The DNR's recommended game, fish and habitat policy changes are covered by Committee Chair Jane Krentz's (DFL-May Township) S.F. 2674. Among other DNR suggested changes, the bill creates a prairie chicken hunting license lottery and prohibits new turtle licenses from being issued after June 2002.

The committee adopted four amendments to the bill. The first, offered by Sen. Dan Stevens (R-Mora) permits the sale of wildgame, otherwise prohibited, at non-profit fund-raising events, such as game dinners. Sen. Dennis Frederickson (R-New Ulm) said the change might create a market for wildgame and make the enforcement of hunting laws more difficult. He also said people may feel more comfortable hunting over limit because the game may be donated to a good cause.

The second amendment adopted by the members allows the DNR to restrict fishing on lakes where aquaculture businesses are run. Sen. Charles Berg (R-Chokio) said the provision will stop fishing on a lake on his district where brood stock is being wiped out by anglers.

The third change, offered by Berg, adds turtles to the list of animals that may be farmed. He said turtlists are already covered by law but the language in statute should be clearer.

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The final amendment, sponsored by Sen. Pat Pariseau (R-Farmington), requires trappers to take an educational course before being licensed. She said there is no cost to the state because the class is offered by the Minnesota Trappers Association. Sen. Bob Lessard (IND-Int'l. Falls) said he has been a trapper since he was a child and believes that an educational course would be beneficial to trappers and improve their reputation. The bill was recommended to pass and advanced to the Environment and Agriculture Budget Division.

The committee also recommended S.F. 2125, authored by Sen. Roger Moe (DFL-Erskine), to pass. The bill completes the final designation of 102,000 acres of state consolidated conservation (Con-Con) land into Wildlife Management Area units. According to the DNR, the land area is equivalent to almost half the acreage of the state's entire park system.

Steve Morse, DNR deputy commissioner, said the bill settles 70 years of contentious debate over the fate of the land. He said in addition to wildlife habitat and timber production, the lands provide significant flood control for the Red River Basin and offer several outdoor recreational activities for local residents.

Under the bill, counties receive the payment-in-lieu-of-tax increased from \$.44 per acre to \$3.54 per acre as well as half of the revenues generated by the land. The bill was advanced to the Finance Committee with a recommendation to pass.

Open air swine lagoons debated

Prohibitions on open air swine lagoons took center stage at the Environment and Natural Resources Committee hearing, Tues., Feb. 26. Measures offered by Senators Becky Lourey (DFL-Kerrick) and Kenric Scheevel (R-Preston) disallow the permitting of new open air swine lagoons. Scheevel's measure, S.F. 2664, makes exemptions for existing facilities that use basins of less than 1 million gallons as part of a permitted waste treatment program or basins used after conversion to a new animal type.

Lourey said the ban on new open air swine lagoons is needed to control the smell of the facilities, which irritates neighbors. "The bill," she said, "helps neighbors live with neighbors." She said open air swine lagoons have not been built in years and her bill, S.F.3013, only removes the sunset date on the current

prohibition on the construction of new facilities. Existing lagoons, she said, are allowed to operate.

Scheevel said the exemptions in his bill are needed by small farms to mitigate pollution problems without the prohibitive expense of building new waste storage systems. Sen. Dennis Frederickson (R-New Ulm) said smaller farms with older barns require shallow lagoons to catch and store run-off. Scheevel said Lourey's bill would inadvertently hurt small farmers.

Committee Chair Jane Krentz (DFL-May Township) said Scheevel's bill did not limit the size of basins used after conversion to different animal type. Scheevel offered an amendment that restricts the use to a single 1-million gallon basin. The committee adopted the changes.

The bill also exempts from penalties farmers who apply fertilizers and pesticides lawfully but create illegal chemical levels in run-off due to acts of war, vandalism, state negligence or "an act of God," such as flooding. Scheevel said the provision creates consistency between the Dept. of Agriculture and the Dept. of Natural Resources. The members recommended the bill pass, and re-referred the measure to the Agriculture, General Legislation and Veterans Affairs committee.

Krentz presented S.F. 3192, which makes changes to environmental and agriculture policies related to terrorism. The bill adds emergency waste and debris disposal to the governor's emergency management authorities. Under the measure, in the event of a war or peacetime emergency, the governor may authorize the Minnesota Pollution Control Agency (MPCA), without legislative approval, to dispose of waste and debris in order to minimize the impact of a dire situation on human health or the environment.

Sen. Pat Pariseau (R-Farmington) said, "This bill gives extraordinary powers to a single person." She said she was concerned about the addition of personal real estate and any facilities to the list of items that can be commandeered by the governor in the case of emergency. Currently, motor vehicles, tools, appliances and other personal property are the only items that may be commandeered.

Frederickson said the extraordinary powers are only given in extraordinary circumstances, such as terrorist attacks.

The measure also modifies the requirements for the emergency declaration of quarantine zones. The bill removes the three-mile limit for the radius of zone. Doug Spanier, from the Dept. of Agriculture, said the change is needed to prepare for the event of nuclear terrorism, in which a greater zone radius would be necessary.

The committee approved the measure and re-referred the bill to the Finance Committee.

The members also okayed S.F. 2770, a bill sponsored by Sen. Linda Higgins (DFL-Mpls.), which incorporates the suggestions of the Solid Waste Advisory Committee. The group consisted of 27 members from the Legislature, environmental groups, refuse businesses, and other stakeholder communities. The bill specifies that legislative policies must treat waste produced in the state as a resource. Bob Meier, from the Office of Environmental Assistance, said Target, Anderson Windows and IBM have begun to profit from the reuse and recycling of their garbage and the state has much to gain by following their example.

"The bill elevates dirty diapers and greasy pizza boxes to the level of resources," said Sen. Dan Stevens (R-Mora). Krentz suggested altering the provision so that only recoverable waste is considered a resource. The committee adopted the changes.

S.F. 2770 also charges the Office of Environmental Assistance with developing statewide five-year goals to improve the management of the state's solid waste in a manner that optimizes multiple processes and technologies. The bill also requires the MPCA to research and report on the state's potential long-term liability for waste generators and haulers depositing garbage in landfills.

Sen. Gen Olson (R-Minnetrissa), who served on the advisory committee, said the negotiations on the recommendations in the bill were not thoroughly debated by the group and cautioned the committee against recommending the measure before considering each provision carefully. Stevens recommended deleting all segments of the bill, except the goal setting requirement. The committee rejected his amendment, recommended the bill to pass, and sent the bill to the floor.

Sen. Jim Vickerman (DFL-Tracy) presented H.F. 3116, which modifies provisions concerning the Citizen Advisory Committee to the Legislative Com-



In an historic first, 18-month-old Israel Friedman, son of Rabbi Mordechai Friedman of St. Paul, and 16-year-old Eli Bryski of Los Angeles, joined other members of the Jewish community in the Capitol rotunda Tue., Feb. 26, to celebrate the Jewish holiday of Purim.
Photo by David J. Oakes

mission on Minnesota Resources. The bill changes the disbursement of funds, sets the penalty for failing to comply with provisions regarding land easements and requires the commissioner hear public

forums to establish funding priorities. The bill was approved by the committee and placed on the Consent Calendar.

Higgins sponsored a housekeeping bill that repeals obsolete laws concerning the

MPCA. The bill puts a moratorium on the review of new technology for waste water treatment systems and deletes the requirement that the Legislature fund the waste tire clean-up program. Lisa Thorvig, MPCA assistant commissioner, said neither of the two programs is currently running or receiving funding. Sen. David Tomassoni (DFL-Chisholm) proposed an amendment, which the committee adopted, that creates a new sanitary district in Northern Minnesota. The bill was okayed and advanced to the floor.

Sen. Bob Lessard (IND-Int'l. Falls) offered a measure that adds perchloroethylene and its degradation products to chemicals covered by the Drycleaner Environmental Response and Reimbursement Fund. He said that the fund is working famously to combat the environmental hazards of dry-cleaning, but new chemicals are being used by cleaners that are not included in the program. He said the change was non-controversial. Representatives from the Drycleaners' Association said they approved of the bill. The committee recommended the bill to pass and forwarded the measure to the Finance Committee.

Environment and Agriculture Budget Division

Fish and game bill heard

Division Chair Leonard Price (DFL-Woodbury) and members of the Environment and Agriculture Budget Division assembled Mon., Feb. 25, and discussed the omnibus Dept. of Natural Resources (DNR) fish, wildlife, forestry and habitat bill. The measure, authored by Sen. Jane Krentz (DFL-May Township), codifies DNR recommendations for six needed policy changes.

The bill, S.F. 2674, streamlines provisions governing state timber sales by establishing a time limit by which a timber purchaser must sign a permit, clarifies the alternatives to posting a bond for the value of the timber, and repeals an outdated statute on Christmas tree leases, which have not been issued in 25 years.

Another provision creates a lottery for prairie chicken hunting licences, similar to those lotteries already in place for turkey and bear hunters. Under the measure, a prairie chicken license costs \$20 and the application costs \$3. Edward Boggess from the DNR said, "The department has

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managed through prairie land protection programs to stabilize the prairie chicken population and will be able to further protect them by managing a hunting season.” Sen. Charles Berg (R-Chokio) asked why the DNR wanted the chickens hunted when the department had spent thousands of dollars restoring the habitat and stabilizing the population. Boggess said hunting is only permitted outside habitat restoration areas.

S.F. 2674 also makes several restrictions on turtle harvesting activity and prohibits further licensing for turtlists. Krentz offered an amendment, which the committee adopted, that allows turtle harvesters to pass their licenses down to family members. She said the amendment represents an agreement between the DNR and current owners of turtle harvesting businesses.

The bill also prohibits the use of live bait and repeals the requirement that barbless hooks be used when fishing on experimental trout streams. According to the DNR, the changes are a result of new data that attributes greater fish mortality to live bait fishing.

In addition to changing wildlife regulations, S.F. 2674 gives the DNR authority to order the restoration or replacement of aquatic plants by persons who have illegally removed or destroyed them.

The measure carries with it a \$4,000 expense to the state to cover the difference between the cost of administering prairie chicken licenses and the revenue from the application and license fees. Price encouraged the department to consider other ways of cover the cost such as requiring \$5 prairie chicken stamps on licenses in addition to the license price. Price said the division needed clarification on the costs before recommending the measure. The bill was laid over for further consideration.

Health and Family Security

Background studies debated

Members of the Health and Family Security Committee, chaired by Sen. Dallas Sams (DFL-Staples), met Mon., Feb. 25, to hear a bill that deals with Department of Human Services background studies and disqualifications for certain jobs.

S.F. 2692, carried by Sams, amends current law by changing the list of crimes

for which an individual must be disqualified from employment within the human services field after a background study. Under current law, various degrees of murder, criminal sexual conduct and child and spousal abuse disqualify an individual from employment in human services. The bill extends the list to include manslaughter, criminal vehicular homicide and injury, assault, simple robbery, great bodily harm caused by the distribution of drugs, crimes committed for a gang, tampering with a witness, arson and aggravated robbery. Current law allows employment after the discovery of some of the added crimes after a certain number of years have passed. The bill also limits the authority of the commissioner of human services to set aside a disqualification if an individual has committed the specified crimes and changes the private appeal process to a public process.

Sen. Sheila Kiscaden (R-Rochester) said people are able to change their lives after committing crimes and a 15-year set aside—instead of a disqualification—seemed more appropriate.

“We’ve had the premise that you can be rehabilitated,” she said. “By putting barriers up to cause someone to forever be barred may be going further than we should.”

Anne Henry, with the Minnesota Disability Law Center, said individuals still may appeal after disqualification and may have the opportunity to explain why they are no longer a risk. There is a bar, she said, but there still can be exceptions. Elizabeth Wrobel, from the Office of the Attorney General, said the crime of “simple robbery” isn’t actually simple at all and does involve the use of force or a threat. She also said other jobs are available to those disqualified through the process.

“It’s important that we set some guidelines on who we want to take care of our most vulnerable Minnesotans,” she said.

Kiscaden offered an amendment allowing the set aside of a disqualification for individuals under certain circumstances. In the case of a set aside, the amendment also authorizes the release of information obtained in a background check and information regarding the decision to set aside the disqualification. Sams accepted the amendment and it was adopted. The bill was approved and referred to the Crime Prevention Committee.

Sen. Claire Robling (R-Prior Lake) authored S.F. 2803. The bill requires licensed child care providers to develop policies and procedures for reporting suspected child maltreatment and complaints related to the child care program. Under the bill the policies must include telephone numbers of the county child protection agency and the county and state licensing agencies. The policies must be provided to the parents of all children at the time of enrollment and must be made available upon request. The measure also requires all new or renewed child care licenses to include a statement that parents may call the licensing agency if they have concerns.

Bill and Joline Devine spoke in favor of the bill. Bill Devine told the story of their five-month-old granddaughter who was shaken to death at her day care. They said it is important to have a telephone number to call in order to get information on a provider, seek help or report incidents. Robling added that a background check was done on the provider but missed important information about the provider and about the provider’s husband, who she said was involved in an incident with another child. Joline Devine said the day care home was licensed and her daughter assumed it was safe, but it was not. The bill was approved and sent to the Senate floor.

Sen. John Marty (DFL-Roseville) carried S.F. 2764, which modifies standards for reporting incidents and emergencies for persons of mental retardation. The bill expands the definition of “incident” to include physical aggression by a resident toward another resident and any sexual activity between residents involving force or coercion. The measure requires the provider to maintain information about and report incidents to the resident’s legal representative within 24 hours.

Sherri Larson, research associate at the University of Minnesota’s Institute on Community Integration, testified on behalf of the bill. Larson said 7 percent of people with disabilities have been hurt by a roommate and between 8 and 10 percent of family members said their son or daughter was afraid of another person with intellectual or developmental disabilities at home or at work. Larson also said approximately 60 percent of vocational providers and between 30 and 40 percent of residential providers said resident to resident violence was a problem.

“This is an issue that affects literally hundreds of Minnesotans with intellectual and other developmental disabilities and it clearly needs attention,” she said.

Don Bordsen, parent of a 25-year-old with developmental disabilities and cerebral palsy, also testified in support of the bill. Bordsen said his son, Dave, who is a group home resident, was abused over 30 times by another resident. However, he said the abuse was only recorded in the house health notes. There were no written reports, he said, and he was only informed of some of the abuses. Bordsen said that although he eventually met with the provider and the parents of the other resident, the bill could have reduced the abuse because it requires the provider to report physical aggression between residents to the case manager and the legal representative of the resident.

“We could have met after a few abuse incidents and maybe avoided a deteriorating situation,” he stated. The bill was approved and sent to the Senate floor.

Sen. Cal Larson (R-Fergus Falls) authored S.F. 3082. The bill provides an exception to the requirement that nursing home beds placed on layaway may not be removed for one year and a facility that moves the beds may not place more beds on layaway for one year. The measure authorizes the commissioner of health to approve placing beds on layaway and to remove them at any time while work on an approved moratorium construction project is in progress. The bill was approved and sent to the Senate floor.

S.F. 2998 was carried by Sen. Becky Lourey (DFL-Kerrick). The bill requires the issuance of an alcohol and drug counselor license to an applicant who is exempt from requirements in current law because the applicant is licensed to practice according to standards adopted by federally recognized tribes and is practicing under tribal jurisdiction. The bill also requires a license be granted to an applicant with at least 2,000 hours of alcohol and drug counseling experience, requires an applicant to follow the procedures for admission specified in current law and requires an applicant who receives a license to complete the written case presentation and oral examination at the earliest available opportunity. The bill was approved and sent to the Senate floor.

Sen. Don Samuelson (DFL-Brainerd) presented S.F. 2957, which requires various individuals and entities to report

violations committed by dentists, dental hygienists, dental assistants and applicants for licensure to the Board of Dentistry. The bill also provides immunity to those who report or cooperate with the board. The bill was approved and re-referred to the Judiciary Committee.

S.F. 2793 was carried by Sen. Jim Vickerman (DFL-Tracy). The measure requires the development of a plan to expand current law to allow Medical Assistance reimbursement to counties for children’s mental health residential treatment services provided in out of state facilities. The bill was approved and re-referred to the Finance Committee.

Sen. John Hottinger (DFL-Mankato) authored S.F. 3085, which provides immunity from liability to certain health care, treatment and residential providers for providing reference check information about a current or former employee to a prospective employer. The bill was approved and re-referred to the Jobs, Housing and Community Development Committee.

Sen. Linda Berglin (DFL-Mpls.) authored S.F. 3099, which makes a number of changes to the personal care program, alternative care, the elderly waiver, the Region 10 quality assurance project and the nursing facility planned closure rate adjustment. The measure was approved and re-referred to the Finance Committee.

Kiscaden carried S.F. 3155. The bill allows dentists, dental hygienists or dental assistants currently practicing in North Dakota to obtain guest licensure or registration for practice in Minnesota. The bill specifies that those practicing in Minnesota with a guest license can practice only at a single, specific location in the state. The bill was approved and re-referred to the Finance Committee.

Members also agreed to re-refer two bills to the Finance Committee without discussion. The bills were S.F. 2797, carried by Sen. Bob Lessard (IND-Int’l. Falls), which increases state compensation liability insurance for licensed providers and S.F. 3212, authored by Kiscaden, which distributes funds for medical education.

HMO rural project bill okayed

A bill authorizing a health maintenance organization rural demonstration project was approved at the Wed., Feb. 27, meeting of the Health and Family Security Committee.

S.F. 2909, sponsored by Committee Chair Dallas Sams (DFL-Staples), permits the demonstration projects to allow HMOs to extend coverage to a health improvement and purchasing coalition located in rural Minnesota, comprised of the HMO and members from a geographic area. The bill spells out the ways in which the coalition must be designed, specifies that the commissioner must waive compliance with various statutes and rules to facilitate the project, permits the HMO to make the start date contingent on a minimum number of enrollees, requires purchasers to stay in the project for three years and permits loss ratios in the individual and small employer markets to equal those currently required of health plan companies with less than three percent of the state market. The measure also requires the coalition to report on the progress of the project, limits the number of demonstration projects to five and requires the projects to meet requirements provided for other HMO demonstration projects.

An amendment, offered by Sen. Linda Berglin (DFL-Mpls.), provides that a health maintenance organization may impose a flat fee co-payment not to exceed 50 percent of the median cost of prescription drugs and specifies that the total sum of all annual co-payments may not exceed \$500 or the annual maximum out-of-pocket sum exceed \$3,000 per family. Berglin said the amendment is designed to provide some HMO product flexibility, but does not go as high as some proposals. “The hope is that the discussion begins and ends with this amendment and that the amendment does not provide a floor,” Berglin said. Sams said the amendment is as far as the Senate is prepared to go this year on the issue. Members adopted the amendment and advanced the bill to the Senate floor.

The committee also considered a bill, S.F. 2681, that made numerous changes in health insurance provisions. Sen. John Hottinger (DFL-Mankato), the chief author, said the bill is the result of work done by the Task Force on Small Business Health Insurance and included a number of the task force’s recommendations. The measure caps the renewal rate increase for each employer group to 15 percent plus index change, expands potential variation due to geographic differences in costs, eliminates minimum loss ratio standards, allows existing groups that got to one employee to continue coverage for at least

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Having delivered the budget balancing bill to the governor's office Fri., Feb. 22, legislative leaders—from left, Senate Minority Leader Dick Day (R-Owatonna), House Minority Leader Tom Pugh (DFL-South St. Paul), Senate Majority Leader Roger Moe (DFL-Erskine) and Speaker of the House Steve Sviggum (R-Kenyon)—wait in the reception area to confer with the governor.

Photo by Shelley Hawes

12 months, removes the 90 percent cap on premiums offered for individual conversion contracts, permits health carriers to market and issue policy forms and rates immediately after being filed, and reduces the current restrictions for HMO deductibles and copayments.

Mike Hickey, representing the National Federation of Independent Business, spoke in favor of the bill and said, "The bill will help small businesses and will provide competition and choice."

Kent Peterson, of the Dept. of Health, and John Gross, of the Dept. of Commerce, spoke against the bill. Peterson said, "The departments oppose the measure because we don't believe the bill provides more affordable options."

Hottinger offered an amendment deleting several sections of the bill. The amendment was adopted. However, after further discussion, the bill was laid over without any action being taken.

The committee advanced several additional bills in the legislative process. S.F. 3119, carried by Sams, authorizes counties to contract with states bordering Minnesota to allow Minnesota residents to receive mental health services across state lines and for citizens of the border states to receive mental health services in Minnesota. Sams said the bill allows individuals, who are civilly committed to receive appropriate treatment across state lines, yet have Minnesota law apply. The bill was approved and re-referred to the Finance Committee.

S.F. 3204, authored by Sen. Thomas Neuville (R-Northfield), clarifies that a county agency is not required to provide income support or cash assistance when specific state programs fail to do so. The measure was approved and advanced to the full Senate.

Sen. Dan Stevens (R-Mora) sponsored a bill requiring legislative approval before the commissioner of health adopts certain new or amended rules governing the Minnesota Clean Indoor Air Act. The bill, S.F. 3133, was also approved and sent to the Senate floor.

Two additional bills were approved and sent to the Senate floor. S.F. 240, authored by Sen. Jim Vickerman (DFL-Tracy), provides for licensure of dental assistants. Currently, Vickerman said, there are registered and unregistered dental assistants and the bill changes the status of registered dental assistants to that of licensed dental assistants. S.F. 2627, sponsored by Sen. Sheila Kiscaden (R-Rochester), requires optometrists and ophthalmologists to give patients copies of their eyeglass and contact lens prescriptions.

Finally, the panel discussed a bill, S.F. 1443, specifying that a swimming pool located at a family day care or group family day care home is not considered a public pool and is exempt from the requirements for public pools in Minnesota. However, the bill specifies requirements that must be fulfilled if the provider chooses to allow children cared for at the facility to use the swimming pool. The requirements that must be met include notifying the county agency before initial use of the pool, obtaining written consent from the child's parent or guardian, completing a swimming pool operation course, requiring a care giver trained in first aid to supervise and be present at the pool, requiring all children who are not potty-trained to wear swim diapers and setting forth maintenance conditions for the pool. The measure, sponsored by Sen. Deanna Wiener (DFL-Eagan), was approved and re-referred to the Judiciary Committee.

Health, Human Services and Corrections Budget Division

Fed terrorism funds discussed

The members of the Health, Human Services and Corrections Budget Division, chaired by Sen. Linda Berglin (DFL-Mpls.), met Thurs., Feb. 21, to hear a report, delivered by Commissioner of Health Jan Malcolm, on the status of federal anti-terrorism funds granted to the department. Members also reviewed a \$1 million supplemental budget request from the Dept. of Health for bioterrorism prevention. In addition, members reviewed a request for deficiency funding for the Veterans Home Board of \$1.4 million in FY 03 and subsequent years. The members also heard a supplemental request from the Dept. of Corrections for Clearwater probations services reimbursement that is countered by a Clearwater probation services reimbursement revenue offset. Finally, members also heard a request from the Chiropractic Board for a supplemental budget appropriation for extraordinary legal costs.

The panel also advanced two bills to the full committee. S.F. 819, authored by Sen. Becky Lourey (DFL-Kerrick), modifies plumbers licensing requirements and S.F. 887, also carried by Lourey, provides for registration of medical response units. Both bills were approved and sent to the full Finance Committee.

Jobs, Housing and Community Development

Dislocated worker funding debated

Committee Chair Ellen Anderson brought before the Jobs, Housing and Community Development Committee a measure to reinstate the 0.1 percent tax on employers to fund the workforce development fund. During the hearing, Fri., Feb. 22, the committee also heard testimony on medical data privacy and youth employment requirements for construction projects.

Anderson's bill, S.F. 2462, raises the unemployment tax on employers 0.03 percent to the rate it was two years ago. The rate was reduced because of unprecedented low unemployment levels and a lack of foresight, she said. The change adds \$12 million per year to the workforce development fund, which supports dislocated workers programs for laid off workers, she said. Although the Legislature had appropriated \$16 million in one-time funding for the fund, the fund's shortage needs long term solution, she said.

Lee Helgen, director of the Minnesota Workforce Council, said the workforce centers around the state are quickly running out of money. The federal government, he said, had reduced workforce funding by 11 percent and the council owes \$350,000 to the federal government for a recession payment. "All of this," he said, "is happening at a time when thousands of Minnesota residents are being laid off and need our programs more than ever." Terry Zurn, program manager at Workforce Solutions, said her agency's resources will dry up before April, leaving nothing left to help workers for the rest of the year.

Jack Wiedenbach, unemployment insurance director from the Dept. of Economic Security, said the workforce development fund will likely go into the red sometime next year. However, he said, the department has no system in place for paying the interest on money loaned from the federal government until the higher solvency surcharge can be collected from employers. Anderson offered an amendment that puts in place a process for paying the interest and triggering the solvency surcharge sooner. The committee adopted the amendment, approved the bill, and advanced the measure to the full Senate.

The committee also approved and forwarded to the floor S.F. 3074, which outlines the circumstances under which employers can disclose employee health information. Under the bill, authored by Sen. Warren Limmer (R-Maple Grove), an employer who receives employee health information may not share that information without written consent of the employee, unless it is required by law, given to an employee whose work assignment includes a need to know the information, or in the case of an emergency when the employer cannot get consent.

"Right now," said Limmer, "there is nothing protecting employees' health information and sometimes employers negligently and sometimes intentionally violate employees' privacy." For example, he said, a woman told her boss that she has Multiple Sclerosis, assuming he would keep the information to himself. However, Limmer said, the boss published the information on the company's web page because he thought the story was inspirational.

Bob Tracy from the Minnesota AIDS Project said the Americans with Disabilities Act protects the information of employees who are seeking ADA related-services. However, he said, nothing addresses information relating to the potential need for medical leave or necessary accommodations. For instance, he said, if a person has AIDS and wants to notify a employer that he or she may need to take sick leave, the boss may share that information, even when it is not appropriate.

Early childhood and child protection facilities built by the state are required to hire at least 25 percent of the necessary labor from youth employment programs, under S.F. 3059. Allen Selinski said youth apprenticeship programs in the construction trade are working well to teach young people about carpentry, plumbing and other areas of construction. However, he said, it is difficult for the programs to find youth places to work on real construction sites. Instead, he said, kids in youth employment programs are often brought in to do less educational tasks. "We don't want to waste program funds so that kids can haul dirt," he said. The committee okayed the bill, sponsored by Sen. Linda Higgins (DFL-Mpls.), and advanced it to the floor.

Sen. Martha Robertson (R-Minnetonka) offered a technical bill, S.F.

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3154, recommended by the Dept. of Labor and Industry, that eliminates obsolete references to the state commissioner of health. The members approved the bill and placed it on the Consent Calendar.

Assortment of bills considered

Members of the Jobs, Housing and Community Development Committee came together Wed., Feb. 27, and dealt with measures on a variety of issues. Sen. Ellen Anderson (DFL-St. Paul) chaired the hearing where unemployment for school food service workers, payments for background checks, redevelopment programs, data privacy for employment background checks and other issues were discussed.

Sen. Twyla Ring (DFL-North Branch) brought forth a bill that allows school food service employees to use wage credits earned during the school year in order to receive unemployment benefits. Lee Nelson, from the Dept. of Economic Security, said about 900 people become eligible for unemployment benefits under the measure. The net impact on the unemployment insurance fund, he said, is about \$1.5 million. The cost, he said, is recovered by an upwards adjustment to the amount employers would be required to put into the fund. The committee approved the bill, S.F. 3140, and advanced the measure to the Finance Committee.

Sen. Linda Higgins (DFL-Mpls) presented a measure that prohibits employers from charging prospective employees for criminal background or credit checks or testing of any sort. Beth Hargarten, from the Dept. of Labor and Industry, said some employers scam job applicants by asking for money to run criminal background checks that they never actually do. "The department believes," she said, "that people should never have to pay money to have the opportunity to apply for a job."

Sen. Dennis Frederickson (R-New Ulm) offered an amendment that allows landlords, who are required to run criminal background checks on workers, to charge prospective employees for the service. Jack Horner, representing the Minnesota Multi-Housing Agency, said if landlords are forced to pay for background checks, they will pass the expense onto tenants and up the cost of housing. The committee voted not to adopt the amendment. The measure, S.F. 2763, was approved and advanced to the floor.

Higgins offered a second bill, which changes the disbursement of the Minnesota redevelopment program. Under the measure, unless sufficient applications are not received within the first nine months of a fiscal year for qualifying sites outside the Metro Area, half of the money the program provides for grants in the year must be made for sites located in Greater Minnesota. Higgins said that currently only 25 percent of the grants are given to projects in rural Minnesota. The grants are given by the Dept. of Trade and Economic Development (DTED) to local governments to redevelop abandoned or obsolete property in order to maintain healthy, vital communities. The committee moved the bill to the floor.

Providers of care for persons with mental retardation are permitted to disclose information on former employees to prospective employers under S.F. 3085, presented by Sen. John Hottinger (DFL-Mankato). The bill allows former employers to give previous workers dates of employment, compensation and wage history, and information regarding all acts of violence, harassment, theft or illegal conduct of the worker. With written authorization of the current or former employee, the care provider may also give information about an employee's evaluations, disciplinary warnings, and reasons for separation from employment. "The measure," said Hottinger, "provides crucial information on care givers who work in unsupervised settings with very vulnerable citizens."

Katie Nemmers, representing the Care Providers of Minnesota, said, "The bill gives more clarity and comfort to employers about what information they can share." She said last year there were 1,390 complaints about maltreatment of patients that might have been prevented if employers had a greater understanding of worker's backgrounds.

Sen. David Knutson (R-Burnsville) asked why the bill did not go farther and permit the disclosure of information about teachers' former employment. Hottinger said he would like to include teachers and others working with children, but feared that complicating the bill may prevent its passage. The committee okayed the measure and re-referred it to the Judiciary Committee.

Members laid over a measure, sponsored by Sen. Arlene Lesewski (R-Marshall), that requires state agencies and

local governments to investigate the availability of existing buildings before submitting a request to the state for capital funding for new construction. She said the measure is an attempt to draw government jobs and agencies into dwindling rural economies. "We have lost a lot of businesses, closed a lot of schools and we have a lot of empty buildings in Greater Minnesota," she said.

The bill requires DTED to maintain a database of buildings available for public use. Lesewski said the department has a current database for companies interested in abandoned properties that can be easily be updated to meet the needs of the public sector as well.

Sen. Julie Sabo (DFL-Mpls.) said that what the bill requires may be an exercise in futility because many projects have very specific building and location needs that cannot be met by existing facilities. Anderson said that a local government should not have to inquire to a state agency about local availability of buildings, because the local government probably has a clear understanding of the community's resources. The committee tabled the measure.

Lesewski's second bill, S.F. 3136, modifies workers' compensation laws in ways approved by the Workers' Compensation Council. In addition to several technical modifications, the bill prohibits the altering of a workers' compensation document previously signed by an individual without that person's consent. Under the measure, workers must be notified of any changes to documents that negatively impact them.

Frederickson suggested that workers be notified anytime their documents are changed. However, the department said the resulting paperwork would be too burdensome.

The committee adopted an amendment, which had also been okayed by the Workers' Compensation Council. The amendment bases insurance assessments on premiums. Beth Turner, from the St. Paul Companies, said the change is needed because of a 1999 accounting rule change and does not change the amount of money in workers' compensation funds. The committee adopted the amendment, approved the bill, and advanced it to the floor.

The members also approved S.F. 3176, authored by Frederickson. The measure makes numerous technical and

housekeeping changes to provisions concerning DTED. The bill strikes obsolete references to the Minnesota Export Finance Authority, which has not been active in several years. The measure removes provisions concerning the World Trade Center space used by DTED and makes technical changes to the Urban Initiative Board. S.F. 3176 also revives the requirement that the Department of Economic Security, in cooperation with the Dept. of Revenue, establish and oversee an early warning system, referred to as the WARN notice, to identify industries and businesses likely to experience large losses in employment. The committee re-referred the bill the Finance Committee.

Judiciary

MERLA changes gain

Members of the Judiciary Committee, chaired by Sen. John Marty (DFL-Roseville), met Thurs., Feb. 21, to approve a host of bills.

Sen. John Hottinger (DFL-Mankato) carried S.F. 2937, which clarifies existing law relating to the statute of limitations for recovering response costs under the Minnesota Environmental Response and Liability Act (MERLA). Enacted in 1983, MERLA authorizes the Minnesota Pollution Control Agency (MPCA) to identify those responsible for cleaning up contaminated sites and obtain their cooperation in cleaning those sites. The measure also authorizes MPCA to use public money to clean up the sites and sue those responsible for the contamination to recover the costs. In addition, in 1994 the Legislature approved the Landfill Cleanup Act, which allows the MPCA to use MERLA to recover landfill cleanup costs from insurance companies that provided coverage for such costs.

The bill is in response to a state court decision in Sept. 2001 interpreting the MERLA statute of limitations—amended in 1998—to mean the state is prohibited from suing responsible parties six years after contamination was discovered. Instead, the bill specifies that the deadline for the state to sue is six years after cleanup has started. The bill was approved and sent to the Senate floor.

Sen. Leonard Price (DFL-Woodbury) authored S.F. 2575. The bill provides for the indemnification of municipalities that operate or participate in household hazardous waste management programs

under a contract with the Pollution Control Agency for claims resulting from the transportation, management or disposal of any waste covered by the contract. The bill was approved and sent to the Senate floor.

S.F. 3175 was carried by Sandra Pappas (DFL-St. Paul). The measure provides for the disclosure of data on individuals approved for free and reduced price school meals for the purpose of verifying their eligibility for the programs. The bill also affords additional data sharing provisions with respect to the commissioners of human services, health, economic security, housing finance, revenue, and children, families, and learning in order to confirm eligibility status for meal benefits and certify individuals for meal benefits. The measure specifies that data released is limited to confirmation of eligibility for benefits, and may not include income of households. The bill was approved and re-referred to the Education Committee.

Sen. Don Betzold (DFL-Fridley) offered S.F. 3167, which gives the commissioner of corrections access to private medical data or welfare data that relate to medical treatment of an offender when determining whether a petition of civil commitment as a sexual psychopathic personality or sexually dangerous person is appropriate when the inmate is being released from prison. In order to make the decision, the bill also gives the commissioner access to private and confidential court services data and private criminal history data as well. The bill was approved and sent to the Crime Prevention Committee.

S.F. 2756 was also carried by Betzold. The bill authorizes the Department of Labor and Industry and the Department of Revenue to exchange taxpayer identity information relating to employees and employers to support tax administration purposes. The bill was approved and sent to the Tax Committee.

Betzold also sponsored a bill, S.F. 1372, that modifies provisions dealing with child maltreatment data in current law. The measure was approved and sent to the Senate floor.

Betzold offered S.F. 2949, a bill that conforms state law with federal laws. The measure provides for national history criminal checks on school bus driver applicants, clarifies state and federal criminal history background check

procedures for conditional employees of licensed private detective or protective agents, allows the Alcohol and Gambling Enforcement division of the Department of Public Safety to require the fingerprinting of wholesale liquor manufacturers and wholesalers liquor license applicants for a national criminal history background check and allows the division to require the fingerprinting of retail liquor license applicants for a national criminal history background check. The bill was approved and sent to the Senate floor.

Betzold carried another bill, S.F. 3045. The measure authorizes the Fourth Judicial District to extend the domestic fatality review team pilot project until Dec. 31, 2004. The bill was approved and sent to the Senate floor.

Betzold carried S.F. 3231, a bill that amends current licensing data law to exclude nondesignated addresses from the list of application data that are public. Current law requires an applicant to designate a residence or business address at which the applicant can be contacted. The bill was also approved and sent to the Senate floor.

S.F. 2792 was authored by Betzold as well. The bill, which corrects various technical errors, was approved and sent to the Senate floor.

Sen. Jane Ranum (DFL-Mpls.) carried S.F. 3111, which deals with the statewide juvenile court supervision system. The bill requires the Juvenile Court to forward specific information in juvenile petitions for individuals under supervision by probation agencies or in an out-of-home placement to the statewide supervision system. The measure also requires the Department of Corrections, instead of the Bureau of Criminal Apprehension, to maintain the supervision system, adds a reference to juvenile data and directs the data to be accessible to all trial and appellate courts, not just District Courts. Ranum said the bill is the result of a recommendation by the Legislative Auditor. The measure was approved and sent to the Senate floor.

Sen. Sheila Kiscaden (R-Rochester) authored S.F. 3108. The bill, mostly technical in nature, modifies many Human Services licensing provisions. It was approved and sent to the Senate floor.

Sen. Dean Johnson (DFL-Willmar) carried S.F. 3200. The measure designates a nonprofit organization operating an environmental learning center in

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Kandiyohi County as a municipality for tort claims purposes. The bill was approved and sent to the Senate floor.

Predatory lending bill approved

Members of the Judiciary Committee, chaired by Sen. John Marty (DFL-Roseville), met Fri., Feb. 22, to hear a bill regulating predatory lending practices.

S.F. 3030, carried by Sen. Sandra Pappas (DFL-St. Paul), is called the Responsible Lending Act of 2002. Pappas said the bill is designed to curb the worst practices of predatory lending—which is a nationwide problem recognized by the Federal Reserve Board—and is meant to deter the making of predatory loans while encouraging the scrutiny of loans bought.

The bill prohibits making high cost loans to those unable to repay the loan and bars the same agents from providing a high cost loan that refinances an existing home loan. The measure also forbids high cost loans from including payment terms under which the outstanding principal increases over the course of the loan because the periodic payments do not cover the full amount of the interest due. The bill prohibits refinancing a special mortgage loan with a high cost home loan unless the borrower received independent counseling on the matter, prohibits financing any life or health insurance premiums through a high cost home loan and bars the lender from charging a fee for informing the borrower about the balance due to pay off a home loan or to provide a mortgage release upon repayment.

The measure also gives consumers recourse if a predatory loan is sold, protects the most vulnerable by limiting coverage to high cost loans, increases the number of borrowers protected and gives consumers legal rights to prevent foreclosure and to have their loan reformed if there is a violation of the law. The measure encourages an applicant for a high cost loan to seek counseling from a Minnesota Housing Finance Agency (MHFA) or Housing and Urban Development (HUD) counselor and also allows lenders to correct unintentional errors without being subject to sanctions.

Department of Commerce Commissioner Jim Bernstein spoke on behalf of the bill. Bernstein said predatory lending is a major problem. He said predatory lenders misrepresent the facts in a transaction and people get victimized by those they are supposed to trust.

“This gives Minnesota consumers a level playing field,” he said.

Several Senators said the bill prevents consumers from filing class action suits against predatory lenders and much of the discussion centered around the issue. Bernstein said he would prefer that class action suits be allowed, but added that the bill represents a compromise with various interested parties, some of whom, he said, preferred the class action option be left out.

Sen. Jane Ranum (DFL-Mpls.) said she was not persuaded that class action suits shouldn't be allowed. She said vulnerable people especially may not have the energy to bring a suit on their own without the aid of others, and those with the means are more able to go forward on their own. Marty agreed, and said that several people have told him about losing anywhere from \$20,000 to \$70,000 on predatory loans. He said the penalties included in the bill were inadequate. Sen. Warren Limmer (R-Maple Grove) also questioned the prevention of class action suits. He said the victim may not have the means to go after someone alone, especially when the borrower may be located out of state. Their rights, he said, should be considered.

“I think you're establishing a low bar by not recognizing class actions,” he said. Ranum moved to include the ability to organize class action lawsuits in the bill.

Michelle Kimball, state director for the American Association of Retired Persons (AARP) also stated that the bill would be stronger by including the class action possibility. However, she said that it was more important that the bill move forward because what is currently in place does not protect consumers. The bill is a good start, she said, and added that she wanted it to be passed and made into law. Kevin Whelan, executive director of the Minnesota Association of Community Organizations for Reform Now (ACORN), said the Judiciary Committee was not the only place the bill will be discussed and that the measure must remain a compromise solution. It is important to leave with a bill that helps people, he said, adding that it wasn't worthwhile to leave with a measure that won't pass the Legislature or is incomplete because, as a result of Ranum's amendment, something else was taken out later. Dan Hardy, from the Mortgage Bankers Association of Minnesota, also spoke against the amendment. He said he was concerned that the amend-

ment extends liability to security and exchange businesses. He said there are protections already in the bill and consumers are allowed to take private action to recoup all their losses.

Ranum, however, said she saw no compromise in the bill and had no assurances there wouldn't be more compromising in the future. People need to be protected, she said. She said she was not convinced that including a class action provision wouldn't make a bargaining position for any future negotiations stronger. Sen. Don Betzold (DFL-Fridley) said the bill should include the opportunity to bring class actions. He said security and exchange businesses shouldn't be concerned, but those who engage in bad business practices should be. Pappas said the bill represents an agreement made with many organizations. The amendment puts her in a difficult position, she said. The amendment was adopted. The bill was approved and sent to the Senate floor.

Sen. David Kleis (R-St. Cloud) carried S.F. 2460. The bill makes it a gross misdemeanor to promote, advocate and take responsibility for criminal acts meant to instigate the unlawful conduct of others or to obstruct, impede or prevent a criminal investigation. Kleis said the bill is designed for “domestic terrorism” and said the impetus for it came from three recent attacks on various laboratories at the University of Minnesota.

Sen. Leo Foley (DFL-Coon Rapids) moved to amend a section of the bill dealing with destruction of field crop products to ensure it only includes research facilities and not private farms. He wanted to make the language more specific, he said, to prevent someone from suffering penalties for accidentally damaging a private field or lawn. The amendment was adopted. The bill was approved and sent to the Senate floor.

Sen. Thomas Neville (R-Northfield) authored S.F. 2922, which modifies provisions dealing with the division of a family farm in a marriage dissolution. Neville said that currently many farmers undergoing a divorce lose their farms during the process. He said for settlement purposes the farmer's land is appraised instead of the farmer's ability to make money on the land. Since the value of the land itself is higher than its production value, he said, many farmers must liquidate when they are not able to pay the settlement and keep up the farm. The bill, he

said, treats family farms like a pension, which can't be accessed until a farmer retires.

Ranum said the bill dealt with a problem that should be addressed. However, she said the issue needed more analysis and discussion to be given the proper attention. Neuville agreed, and the bill was laid over.

S.F. 3302 was carried by Sen. David Knutson (R-Burnsville). The bill changes the formula for calculating the interest rate on judgements from the secondary market yield on one-year United States treasury bills to the one-year constant maturity treasury yield for the most recent calendar month. The bill also includes a minimum rate of four percent per month. The bill was approved and sent to the Senate floor.

Sen. Steve Kelley (DFL-Hopkins) presented three bills, S.F. 3313, S.F. 2908 and S.F. 3272. S.F. 3313 exempts documents that are recorded or filed as part of a pilot project for the electronic filing of real estate documents from complying with standards for documents filed with the county recorder or registrar of titles. The bill also extends the project by another year from 2003 to 2004. S.F. 2908 deals with Internet privacy and commercial electronic mail solicitation. The bill prohibits an Internet service provider from disclosing personally identifiable information except under certain circumstances and requires a provider to furnish a consumer with a secured account. The bill also prohibits a person from sending an e-mail message that uses another party's domain name without permission, that misrepresents the originator of the message or that contains false or misleading information in the subject line. It requires the sender of commercial e-mails to include a toll-free telephone number or return e-mail address that may be contacted to notify the sender not to send any more unsolicited e-mail documents.

S.F. 3272—also called the Telecommunications Privacy Act—protects the disclosure by a telecommunications provider of customer information. Under the bill, customer information can only be released if certain qualifications are met. The bill also requires telecommunications providers to provide an impartial and prompt resolution of disputes, provide a sufficient number of customer service representatives to give adequate service and to make a supervisor immediately available upon request. Providers must

give accurate price comparisons on all material and sales calls and provide written notice of price increases or changes in service. Also the bill prohibits local telephone service providers from stopping service in an area unless another provider is able to provide service immediately and prohibits providers from stopping service in an area until after it has given at least 60 days notice to various state entities. All three bills were approved and sent to the Senate floor.

Foley authored S.F. 3097, which modifies child support collection and enforcement provisions. The bill was approved and sent to the Senate floor.

S.F. 3086 was carried by Sen. Julie Sabo (DFL-Mpls.). The bill deals with various domestic abuse provisions in current law, and was approved and sent to the Senate floor.

Sen. Mee Moua (DFL-St. Paul) carried S.F. 3368. The bill allows recognition of Hmong Mej Koob marriage ceremonies. However, because of various concerns regarding the bill, it was withdrawn by the author.

Sen. Ellen Anderson (DFL-St. Paul) carried S.F. 3217. The bill specifies that in all proceedings involving a child alleged to be in need of protection, services or termination of parental rights, the child is a third party to the proceedings and has all the rights of a party under current law. The bill was not approved and, after being reconsidered later, again failed to gain approval.

Real estate disclosure debated

Members of the Judiciary Committee, chaired by Sen. John Marty (DFL-Roseville), met on Tues., Feb. 26, to hear a bill establishing the disclosure requirements for real estate transactions.

The bill, S.F. 2697, is carried by Sen. Ann Rest (DFL-New Hope). The measure specifies that written disclosure must include all material facts regarding adverse physical conditions in the property of which the seller is aware that could affect a buyer's rights and interests in the property and any intended use of the property. The bill specifies that the seller need not disclose that the property was occupied by someone who was infected with human immunodeficiency virus (HIV) or diagnosed with acquired immunodeficiency syndrome (AIDS), was the site of any death or felony or is located in a neighborhood with any adult family home, residential

facility or nursing home or if a registered sexual offender lives within the neighborhood. The bill also establishes that the seller is liable to the buyer if disclosure conditions are not met.

Sen. Don Betzold (DFL-Fridley) said he was disturbed that a seller need not disclose that a registered sex offender lives nearby. It is ludicrous, he said, for a seller to know that information and not be required to inform the buyer.

"I think this bill sanctions non-disclosure," he said.

Susan Dioury, from the Minnesota Association of Realtors, said law enforcement should be responsible for such information, not sellers or buyers.

Sen. Sheila Kiscaden (R-Rochester) said sellers may not know the condition of a home if they don't live in it. The seller may be unable to disclose, she said, because they are unaware.

David McGee, also from the Minnesota Association of Realtors, said a seller may disclose that they haven't lived in the home.

Sen. Jane Ranum (DFL-Mpls.) asked how the bill changes the relationship between buyer and seller. She also said that she wasn't sure the Legislature should be involved in saying what is material and what is not, and that she didn't want to put the buyer at a disadvantage through the bill.

McGee said the bill specifies and clarifies what sellers must do and what they need not do. The bill, he said, clarifies that sellers are not obligated to anticipate certain concerns of buyers. He said he wasn't saying that buyers shouldn't be aggressive about getting information, but if buyers make it known that a certain fact is important and the seller doesn't know, he said the buyer can take their own steps to find out.

Rest said the bill places certain obligations on the seller to disclose the physical condition of the home.

"The bill addresses the obligation to disclose facts about the home that are known to the seller that relate to the physical condition of the home," she said. "I don't see why that's unreasonable."

Kiscaden asked if a buyer can ask a question and have the seller not answer. Betzold referred to a section of the bill that specifies a seller is not liable for any error, inaccuracy or omission if "ordinary care was exercised in transmitting the information." He said the provision was a license

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for the seller to be ignorant and allowed sellers to avoid responsibility. The bill, he said, includes no provisions for protection from fraud.

"I'm not sure that's good policy," he said. "This is a sellers protection bill; there's nothing in here for the buyer."

Kiscaden offered an amendment to change the language stating the seller "has no duty" to disclose information regarding a sex offender to say that the duty to disclose is not created by the written disclosure requirement. The amendment specifies that sellers must provide the information—if they know—if asked. The amendment was adopted. An amendment was also offered specifying that nothing in the liability protection provision prevents liability for fraud, negligence or misrepresenta-

tion. That amendment was also adopted. Ranum offered an amendment to require the buyer to provide the intended uses of the property to the seller in writing. The amendment was not adopted. The bill was approved and re-referred to the Finance Committee.

Ranum carried S.F. 2807. The bill specifies that the intent to be an organ donor is established conclusively by drivers license designation, a will or a document of gift or Minnesota identification card. The bill also specifies the intent cannot be overridden by another person and states it is effective the day after final enactment.

Betzold offered to amend the bill to state that it applies to documents written before or after the effective date. He said

someone could say the deceased had a will written on a date before the effective date of the bill. The amendment was adopted.

Foley moved to amend the bill by making a health care directive to establish donation intent as well. His amendment was also adopted.

Larry Dobson, area resident, spoke in opposition to the bill. Dobson told the story of his daughter Emily who suffered a car accident in 1999, who then waited two and one half hours to be seen by a neurosurgeon after arriving at the hospital. Dobson said he doesn't oppose organ donation, but said everyone needs to be given every opportunity for life, which, he added, is especially important in rural areas where care isn't always available immediately. He also said he would like to



Commissioner of Finance Pamela Wheelock, at a press conference Mon., Feb. 25, explains why the projected budget deficit is larger than originally forecast.

Photo by David J. Oakes

see the definition of brain dead defined better in current law.

Sen. Warren Limmer (R-Maple Grove) moved to delete part of Betzold's amendment by eliminating the requirement that the bill applies to all documents written before the effective date. The amendment was not adopted. Limmer then moved to make the effective date Aug. 1, 2002. He said delaying the date would help people adjust to the change and avoid surprises. That amendment was adopted. The bill was approved and sent to the Senate floor.

Ranum also authored S.F. 2611, which adopts a new interstate compact for the supervision of adult offenders and repeals the existing compact. The compact deals with the supervision of those on probation and parole who move to live in a state other than the one in which they were convicted. The bill was approved and re-referred to the State and Local Government Operations Committee.

S.F. 3238 was carried by Ranum as well. The bill defines neighborhood organizations as a nonprofit corporation that represents a defined geographic area and has been accepted by a political subdivision as the basic planning unit for that area. The bill requires neighborhood organizations to elect members annually and amends current law dealing with a right to vote to add new provisions regarding neighborhood organizations. The bill was approved and sent to the Senate floor.

Sen. Richard Cohen (DFL-St. Paul) presented S.F. 2892, which codifies and makes permanent the combined jurisdiction program in the Second Judicial District. The program allows the district to assign related family, probate and juvenile court matters, other than delinquency proceedings, to a single judge or referee. The program began in 1996, was extended twice and was scheduled to expire July 1, 2002. Ranum moved to extend the bill to include the Fourth Judicial District as well. The amendment was adopted, the bill was approved and sent to the Senate floor.

Sen. Dave Knutson (R-Burnsville) carried S.F. 2559. The measure specifies that an unauthorized vehicle impounded in the Metropolitan Area is eligible for sale 15 days after notice is sent by certified mail to the owner. The bill extends to the Metropolitan Area what is already current law for Minneapolis and St. Paul. The bill was approved and sent to the Senate floor.

S.F. 2702 is authored by Sen. Steve Kelley (DFL-Hopkins). The bill corrects an inadvertent commission for a temporary increase in the surcharge for filing and recording certain documents to fund the real estate task force. The bill was approved and re-referred to the Finance Committee.

State and Local Government Operations

Football stadium approved

Members of the State and Local Government Operations Committee met Thurs., Feb. 21, and supported a proposal to finance and build a football stadium on the University of Minnesota campus for the Vikings and the Gophers. Sen. Steve Kelley (DFL-Hopkins) carried the proposal, S.F. 3360, a bill that sets the conditions under which the state would assist in the financing of the stadium project. To cover the state's estimated \$275 million contribution, Kelley described a 13 percent sales tax on sports memorabilia, an admissions tax on current and future sporting events, and a vehicle parking fee in the ramp that will be built adjacent to the new stadium. "We have done what the people have asked us to do," Kelley said. "We have kept the Twins and Vikings here, but we haven't used money from the general fund." Vikings Executive Vice President Mike Kelly and Head Coach Mike Tice were also on hand to support the proposal. Kelly said a \$50 million stadium subsidy from the NFL is only available for another year. "Don't let this opportunity slip away," he said. The bill was recommended to pass and referred to the Tax Committee.

Sen. Martha Robertson (R-Minnetonka) carried S.F. 2752, a bill that codifies design-build contracts in Hennepin County. The bill was approved and sent to the floor. A bill that shifts Social Security administrative duties from the Department of Employee Relations (DOER) to the Public Employees Retirement Association, S.F. 3206, carried by Sen. John Marty (DFL-Roseville), was also approved and referred to the Judiciary Committee. Sen. Yvonne Prettner Solon (DFL-Duluth) carried S.F. 3257, a bill that adds an additional exception to the conflict of interests statutes that prevents a public officer in an official capacity from having a financial interest in contracts in

which the officer takes part. Prettner Solon said the bill allows a housing redevelopment authority to grant a loan to a public officer as long as the officer discloses that he or she has applied for the loan and abstains from voting on the project. The bill was approved and referred to the floor. A bill that creates a task force to address youth violence and harassment was discussed. S.F. 2519, carried by Sen. Julie Sabo (DFL-Mpls.), was recommended to pass and sent to the Education Committee.

A bill that authorizes cities or towns to modify street utilities to increase traffic capacity and to collect street utility charges was met with controversy. Sponsor of S.F. 3169, Sen. Ann Rest (DFL-New Hope) said the bill wasn't quite finished, but all interested parties have agreed to keep talking to seek resolution. Minnesota Multi-Housing Association representative Jack Horner said that street utility provisions shouldn't be lumped in with affordable housing statutes and that the street utility charges essentially create a new taxing mechanism to pay for roads. The bill was recommended to pass and re-referred to the Tax Committee.

Sen. Sheila Kiscaden (R-Rochester) carried S.F. 2622, a bill that creates a voluntary health care provider program and includes the volunteer health care providers as state employees for state insurance liability purposes. An amendment that removed the rulemaking sections of the bill was adopted. Speaking in opposition, Chris Messerly from the Minnesota Trial Lawyers Association said the bill encourages volunteerism by harming those who are supposed to be served. Messerly said the bill is inconsistent with other professions because the bill limits personal responsibility if a patient is harmed. Kiscaden said the volunteer providers won't be doing invasive procedures and 34 other states already have similar provisions. The bill was recommended to pass and re-referred to the Finance Committee.

Sen. Linda Scheid (DFL-Brooklyn Park) carried S.F. 2562, a bill that pertains to signatures on drawings and other documents for architects, engineers and other related professions. The bill requires the professionals to sign only the final document or drawing. The bill was recommended to pass and sent to the floor. Scheid also carried S.F. 3278, a bill that requires instruction about organ donation in driver's education courses. An amend-

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ment that deleted a minimum of 30 minutes of instruction and added a required section of organ donation information in the driver's manual was adopted. The bill was recommended to pass and be placed on the Consent Calendar.

A bill, S.F. 2900, carried by Sen. Michele Bachmann (R-Stillwater), which allows cities to establish a cartway to provide access to landlocked parcels was recommended to be placed on the Consent Calendar. Sen. Jim Vickerman (DFL-Tracy) carried S.F. 3162, a bill that makes the Murray County recorder an appointed position. The bill was approved and recommended for placement on the Consent Calendar. A bill that allows the state to pay the salary differential for state employees who are members of a military reserve unit and are called to active duty was amended to include employees of state agencies and to include medical benefits as well. The bill, S.F. 2991, carried by Sen. Don Betzold (DFL-Fridley), was recommended to pass and re-referred to the Finance Committee.

Sen. Bob Lessard (IND-Int'l. Falls) sponsored S.F. 2769, a bill that amends a law relating to Itasca and Koochiching Counties that limits spending on tourism, agricultural, and industrial development to \$4 per capita. The bill allows spending up to \$10 per capita, Lessard said. An amendment that added St. Louis County as a beneficiary of the legislation was adopted. The bill was recommended to pass and sent to the floor. S.F. 3347, a bill that ensures that Congress replaces lands belonging to the Prairie Island Indians in the case of a nuclear accident, was carried by Sen. Roger D. Moe (DFL-Erskine). The bill was recommended to be placed on the Consent Calendar.

A bill regarding the licensing of electricians received extensive discussion. Amongst the provisions in S.F. 3193, carried by Sen. Don Samuelson (DFL-Brainerd), the bill requires increased licensing and inspection requirements for electricians. Samuelson said the changes were made to increase the safety and quality of electrical work done in the state. In opposition, State Board of Electricity representative John Schultz said the legislation was a "low-voltage compromise bill" and did not include the input of all the relevant parties. Among the negative consequences of the bill, Schultz said, are that licensing requirements power limited

technicians are increased almost to the level of regular electricians and that the inspection requirements will increase the number of inspections 100-fold. After a period of debate, the bill was recommended to pass and sent to the floor.

Workforce depts. consolidated

Members of the State and Local Government Operations Committee, chaired by Sen. Jim Vickerman (DFL-Tracy), met Tues., Feb 26, to discuss a number of bills, including one that creates a new Department of Workforce and Economic Development (WEDD). The bill, S.F. 3072, carried by Sen. Ellen Anderson (DFL-St. Paul), abolishes the Department of Economic Security (DES) and the Department of Trade and Economic Development (DTED) to create WEDD, and transfers the duties of the former departments accordingly. An amendment that delayed the effective date of the bill to 2003 was adopted. Rebecca Yanisch, DTED commissioner, said the reasons for the change included keeping Minnesota businesses competitive and create an economic environment that encourages the growth of businesses and produces new, quality job growth. Transition Manager Morrie Anderson said the new department reflects the strategic policy decisions of the Minnesota Economic Leadership Team (MELT), which represents a comprehensive organizational framework that focuses on leadership. Anderson said in addition to the local, regional and statewide workforce and economic development programs, the new agency strengthens linkages to other workforce development programs in other agencies.

Joyce Scanlan, president of the National Federation of the Blind of Minnesota, said the bill doesn't have her organization's support because the State Services for the Blind (SSB) will get lost in the larger agency. "The only reason SSB is attractive is because of the funding," Scanlan said, "But services for the blind will only get worse. The blind have needs other than workforce training and development."

A Maple River Education Coalition representative said he opposes the bill because it creates a small group of unelected officials who will determine policy for the entire state. The bill was recommended to pass and re-referred to the Jobs, Housing, and Community Development Committee.

Sen. Arlene Lesewski (R-Marshall) carried H.F. 2642, a bill that allows county mine inspectors to submit annual reports only to the county auditor instead of to the auditor and the Department of Labor and Industry. S.F. 2472, carried by Vickerman, authorizes a town board to declare a vacancy when a town officer is unable to serve for a 90-day period due to illness, absence or refusal to attend meetings. The provision is similar to the authority cities have in the law, Vickerman said. Both bills were recommended to pass and be placed on the Consent Calendar. A bill that allows Hennepin County to contract with a cooperative purchasing organization for purchases on behalf of the medical center if it is established the purchasing organization has participated in a competitive or request for proposal process was carried by Sen. Lawrence Pogemiller (DFL-Mpls.). S.F. 3034 was recommended to pass and sent to the floor.

Sen. Michelle Fischbach (R-Paynesville) carried S.F. 2546, a bill that allows the cities of Rockville and Pleasant Lake and the town of Rockville to consolidate into one city. Representatives from all three municipalities testified in support of the bill, saying residents will receive better services. The bill was recommended to pass and sent to the floor. A bill that creates an exception for municipalities regarding the engineering, repair and maintenance of water tanks was carried by Sen. Dan Stevens (R-Mora). S.F. 3168 allows municipalities to enter into contracts through direct negotiation instead of advertising for bids, provided the contract contains several provisions pertaining to cost, licensing of the engineer, payment length, and maintenance to ensure tanks remain in regulatory compliance. The bill was recommended to pass and sent to the floor.

Taxes

Latest stadium proposal unveiled

Sen. Dean Johnson (DFL-Willmar) laid out the latest funding scheme to build a baseball stadium in the Metro Area, to the Tax Committee hearing Thurs., Feb. 21. Last year 36 senators voted for a stadium bill in some form, Johnson said. The new proposal, he said, would bring even more members aboard.

The stadium bill, S.F. 1857, which incorporates suggestions from the Stadium Task Force, requires the state to put up

half of the money to construct a new stadium and a major league baseball team to make up the other half. The measure describes several revenue sources to cover the \$300 to \$330 million dollar price tag of the states' share of the stadium cost.

The bill authorizes new and increased taxes and fees to pay for the stadium. The city or county where the stadium is to be located may impose a local sales tax of up to 3 percent. The bill specifies that sports memorabilia be taxed an additional 13 percent at the wholesale level. A surcharge of \$1 is tagged onto car rentals in the Metro Area and there is an additional fee for cost of parking in certain facilities on game days, under the bill. Several smaller fund-raising measures, such as the sale of naming rights, personal seat licenses, and commemorative bricks, are also outlined in the measure.

"Taxes should only be on baseball teams and baseball leagues," Sen. Bob Kierlin (R-Winona) said. "How will I explain to my NASCAR fan friends that they have to pay a tax on NASCAR items to pay for a baseball stadium?" he asked. Johnson said he would work on an amendment to narrow the scope of the sports memorabilia tax to exclude NASCAR merchandise.

Sen. Bob Lessard (IND-Int'l. Falls) asked how funding for a new football stadium would be raised if football merchandise already is taxed to pay for the baseball field. Johnson said the money collected from the sports memorabilia tax may also be used for a football stadium. However, he said, baseball is given the priority because the Vikings contract does not expire for another decade.

Dan McGrath, from Progressive Minnesota, said, "The Legislature is acting out of defiance of the will of voters in order to bail out a business that is run and supported by billionaires." He said St. Paul voters defeated a stadium referendum in 1999 and 70 percent of voters chose not to support public funding for a stadium in 1997.

"The state is \$2 billion in debt, but Carl Pohlad just sold Marquette Banks and has \$3 billion in his pocket," he said. "We should not be spending the state's money to save a team that is trying very hard to contract itself," he said.

Sen. Lawrence Pogemiller (DFL-Mpls) suggested that a referendum should be put to the voters asking whether they support public funding for a baseball stadium.

However, he said, waiting until the primary election may be too late because the Twins' contract runs out in October. Minneapolis Mayor R.T. Rybak and St. Paul Mayor Randy Kelly said they welcomed referendums in their cities. Pogemiller said funding a referendum might prove prohibitive.

Sen. Steve Murphy (DFL-Red Wing) said in order for the referendum to be fair, the whole state would need to be polled. "Let's prove the Senate has some backbone and just pass the bill," he said.

Johnson said if the stadium is approved, citizens of the city where it is to be located could block a raise in taxes by defeating the increase through the city council. "If you put a referendum out on the issue," he said. "The Twins will not be in Minnesota next year." The committee laid the bill over for further debate.

Income and Sales Tax Budget Division

Housing exemptions considered

Members of the Income and Sales Tax Budget Division gathered Tues., Feb. 26, and heard bills dealing with affordable housing materials, meat products and aggregate materials.

Sen. Don Betzold (DFL-Fridley), division chair, said all the bills would be laid over for possible inclusion in an omnibus tax bill. However, he said, the creation of such a bill was uncertain due to the budget shortfall and legislative vows not to raise taxes.

A few bills were presented that address the shortage of affordable housing. Sen. Linda Higgins (DFL-Mpls) authored S.F. 3077 and S.F. 3165, identical bills that provide a sales tax exemption of construction materials, supplies and equipment for low-income housing. Jim Holmes, an attorney with the Minneapolis Public Housing Authority, said the exemption is desperately needed by the city in order to complete the building of 770 low income housing units, required as part of a 1995 consent decree.

Higgins offered another measure, S.F. 3112, that allows non-profit or civic organizations that form housing partnerships to develop affordable housing to claim a sales tax exemption on construction materials and supplies. Lisa Graphenteen, from the Central Minnesota Housing Partnership, said, "The saved

expense will be passed directly to the tenants of low-income housing." Currently, the exemption for materials applies only to for-profit housing developers in partnerships.

Sen. Jane Ranum (DFL-Mpls) offered a bill that creates a property tax exemption for non-profit owners of low-income rental property. Under the bill, payments-in-lieu-of-taxes equal to 5 percent of rent are charged to the property owners. The bill also creates a sales tax exemption for affordable housing construction materials used in the building of properties that receive the property tax exemption. "The measure," said Ranum, "tries to make incentives for the development of affordable housing."

Betzold said each of the housing bills illustrates that the Legislature did not go far enough last year when it made construction materials for low-income housing owned by non-profits sales tax exempt. However, he said, the budget storm clouds may prevent any extension of the exemption.

Sen. Steve Murphy (DFL-Red Wing) presented a measure that creates a per ton fee for aggregate materials removed from pits and quarries. Under the bill, the fee, which cannot exceed 30 cents per ton, is to be collected and used by municipalities.

Todd Iverson, representing the Aggregate and Ready Mix Association, said the bill unfairly charges for the use of materials taken from borrow pits. He said borrow pits are created when material is removed from a pit at a construction site that is not needed there, and so is hauled away by aggregate businesses. Murphy said he is willing to consider making an exemption for borrow pits, but did not want to make loopholes in the bill. The bill was laid over for further consideration.

Sen. Ann Rest (DFL-New Hope) offered a bill that makes the delivery of aggregate materials tax exempt. She said the tax had been added unintentionally with the adoption of the Streamlined Sales Tax Act last year. The act is the product of a multi-state effort to make taxing of internet sales feasible by simplifying tax definitions.

S.F. 2914, also authored by Rest, makes the delivery of printed material exempt from sales tax. She said the tax, a product of the Streamlined Sales Tax Act, will make printers in Minnesota less competitive. Because much of the printing business is for direct mailing, the printing

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can easily be done out of the state and then mailed to addresses in Minnesota, she said.

Rest also presented a measure that makes unheated, ready-to-eat meat and seafood products exempt from sales tax. The bill, S.F. 3248, and S.F. 3057, authored by Sen. Schwab, which creates the same exemption, undo a tax imposed last year as part of the streamlining effort.

Greg Endres, president of the Meat Processors Association, said the current tax on meat products made in store creates an inequity with grocer-made products and products shipped in to the store. He said although two packages of summer sausage may be almost identical, the one he makes in the store is taxed while the other is not. He said he must charge 6.5 percent more for his goods or absorb the tax himself. He said he only marks up the items in his store about 8 percent, making it difficult to make any profit if he does not charge his customers more.

Sen. Chuck Fowler (DFL-Fairmont) proposed repealing all changes made by the streamlined tax definitions. He said his bill, S.F. 2810, which was heard by the panel Tues., Feb. 19, could solve all the problems created by the streamlining effort by doing away with streamlining all together. All the bills were held over.

Military pay exemption considered

The Income and Sales Tax Budget Division held a meeting Wed., Feb. 27, to discuss possible tax exemptions for military pay, smoking cessation devices and agricultural loans and to hear a few technical measures.

The first \$10,000 of compensation from military pensions and retirement pay for retired or disabled veterans is exempted from income tax under S.F. 2513. Sen. Kenric Scheevel (R-Preston), author of the bill, said, "After the terrorists attacks and military action in Afghanistan, I thought the timing was right to acknowledge the service of veterans and welcome them back to Minnesota." He said several retired Minnesota veterans have moved to one of the 43 states where their limited incomes are not taxed.

Sen. Don Betzold (DFL-Fridley) said that if the pensions of military personnel have tax exemptions, firefighters and police officers will also want exemptions. "Where do we draw the line?" he asked. Tom Nesbit, a retired military officer, said veterans are especially likely to move out

of state because they travel during service, making connections in other places and learning about the tax benefits of other states. The bill was laid over for possible consideration in an omnibus tax bill, as were all the other measures heard by the committee,

Sen. Dennis Frederickson (R-New Ulm) presented a bill that creates a sales tax exemption for smoking cessation devices, such as nicotine patches and chewing gum. "We are all aware by now of the negative impact of smoking on health," he said. Sen. Bob Kierlin (R-Winona) asked if Frederickson had considered using tobacco settlement money to cover the \$670,000 loss of revenue caused by the exemption. Frederickson said he had not because the fund has other purposes and will eventually run out. However, he said, paying for the exemption with an increase in cigarette taxes would be fair.

Sen. Lawrence Pogemiller (DFL-Mpls.) brought forth a measure that taxes pesticides, fungicides and herbicides used on farms. According to the Dept. of Revenue, farmers would pay \$32 million more for their chemicals under the bill, S.F. 3263. "The bill discourages environmental degradation through tax policy," he said.

Cliff Gipp, manager of the Cannon Valley Co-Op, said that a farmer with 500 acres of corn and 500 acres of soy beans pays \$25,000 for pesticides. The sales tax, he said, would be an additional \$1,625 cost. "Pesticides are so expensive already," he said, "we use them as scarcely as we possibly can."

Les Heen, from the Minnesota Farmers' Union, said farmers cannot pass the cost onto consumers.

Farmers receive an additional tax break under S.F. 3166, sponsored by Sen. Chuck Fowler (DFL-Fairmont). The measure extends the exemption on agricultural loans to all mortgages taken out to pay for any items or property used in agricultural production. Last year, Fowler said, the Legislature approved exemptions for loans for the acquisition or improvement of agricultural property.

However, he said, loans are often taken out for a combination of buying property and buying goods, such as seeds and equipment to farm it. Jerry Schoenfeld, representing Greater State Advisors, said, "It's impossible to figure out what portion of the loan is for what piece of the puzzle."

The committee heard technical measures by Senators Ann Rest (DFL-New Hope), Mee Moua (DFL-St. Paul) and Betzold. Rest's bill clarifies that recipients of dividends get 100 percent dividend received deductions provided that the dividends were received from an insurance company that is no longer subject to the corporate franchise law. Rest said the bill, S.F. 2906, corrects an incongruity in law that creates an ambiguous classification for insurance companies.

Moua's measure, S.F. 3036, makes several policy changes recommended by the Dept. of Revenue. The bill changes the deadlines for determination of the validity of property tax assessments, paying the second half of the agricultural property tax, and filing fiduciary, partnership or S corporation income tax returns. The measure also creates an exemption from the liquor tax for foreign diplomats receiving direct shipments of alcohol from other countries. Jenny Engh, Dept. of Revenue, said the change was needed for the two diplomats in Minnesota, one from Canada and the other from Norway.

Betzold's bill, S.F. 3038, makes many technical modifications to tax laws. The measure deletes duplicate language and repeals obsolete provisions. S.F. 3038 also clarifies policies relating to referendum tax replacement aid, tax liens against unrecorded interests in real estate, property used to generate hydroelectricity and other tax issues.

Property Tax Budget Division

TIF bills heard

Members of the Property Tax Budget Division processed 14 bills during their Tues., Feb. 26, hearing. The panel, chaired by Sen. Don Samuelson (DFL-Brainerd), laid over 13 of the bills for consideration by the Tax Committee in its omnibus tax bill.

Sen. Ellen Anderson (DFL-St. Paul) carried S.F. 3149, a bill that extends the sunset date of the "This Old House" home improvement credit to 2013. A bill heard by the division last year, S.F. 263, was heard again. The bill—carried by Sen. Michele Bachmann (R-Stillwater)—allows two sisters in Afton to remove a property from an agricultural preserve program early. The families intend to maintain the property under the program's guidelines,

but intend to build two houses on the property.

A bill extending the life, by two years, of a tax increment financing (TIF) district in Rushford was carried by Sen. Bob Kierlin (R-Winona). Sen. Grace Schwab (R-Albert Lea) presented S.F. 2525, which authorizes the creation of a non-contiguous TIF district in Albert Lea. A bill exempting wind energy conversion systems from property tax liability was carried by Sen. Arlene Lesewski (R-Marshall). The bill, S.F. 3190, converts the taxation of such systems from a property tax formula to a production tax formula.

Sen. Deanna Wiener (DFL-Eagan) presented a bill extending the deadline for conveying an art park that enjoys favorable tax classification to a nonprofit corporation until 2007.

Several bills were heard dealing with TIF grant funds and affordable housing. S.F. 2796, carried by Sen. Ann Rest (DFL-New Hope), modifies deficit reduction provisions. Amendments to the bill were

adopted allowing the city of Minneapolis to extend the duration of two TIF districts by six years and seven years, respectively. The city is also, under one of the amendments, authorized to create a hazardous substance subdistrict encompassing the entirety of the second TIF district.

S.F. 3001 and S.F. 2896, bills carried by Rest and Sen. Lawrence Pogemiller (DFL-Mpls.), respectively, direct that unused amounts in the TIF grant fund be used for economic development and affordable housing. No action was taken on S.F. 2896.

A bill expanding the limit on parcels that may be included in a housing replacement district was carried by Sen. Myron Orfield (DFL-Mpls.). The bill, S.F. 3047, allows each city affected—Minneapolis, St. Paul, or Duluth—to designate not more than 200 parcels.

Sen. Dick Day (R-Owatonna) carried S.F. 2651. The bill provides a tax exemption for attached machinery and personal property that is part of a 43-megawatt

natural gas turbine electric generation facility in Waseca County.

S.F. 2426 exempts the attached machinery and personal property of a 50-megawatt natural gas electric generation facility in Beltrami County. The bill is carried by Sen. Anthony “Tony” Kinkel (DFL-Park Rapids).

Sen. Don Betzold (DFL-Fridley) carried S.F. 2921. The bill specifies that local government levies to pay increased health insurance premiums for local government employees are not subject to levy limits.

Betzold also carried the Department of Revenue technical bill, S.F. 3038. Sections of the bill relating to TIF were amended out of the bill and advanced to the full committee separately for possible inclusion in an omnibus TIF bill.

LGA proposals heard

Members of the Property Tax Budget Division met Wed., Feb. 27, to advance several more proposals for inclusion in



Dozens of AARP Minnesota members gathered in the Capitol rotunda Wed., Feb. 27, to voice their concerns over issues facing the elderly.

Photo by Shelley Hawes

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possible omnibus tax legislation. The panel is chaired by Sen. Don Samuelson (DFL-Brainerd).

Four bills extend the homestead credit for split class property. The bills require the assessor to apply the homestead class rate to a full \$76,000 of market value to a split class property that has a homestead market value of less than \$76,000.

Remaining nonhomestead portions of the property have the appropriate class rate applied, under the bills. The bills are S.F. 2440, carried by Sen. Dennis Frederickson (R-New Ulm), S.F. 2708, carried by Sen. Arlene Lesewski (R-Marshall), S.F. 2743, carried by Sen. Michelle Fischbach (R-Paynesville), and S.F. 2962, carried by Sen. Keith Langseth (DFL-Glyndon).

Langseth also presented two other bills. S.F. 2613 provides a two-year property tax exemption for newly constructed homes in certain border cities. S.F. 2876 creates a new class rate for unimproved land bordering water.

Several bills increase city aid bases. Fischbach presented S.F. 2778, which raises the aid base for the cities of Sartell and St. Michael. Sen. Chuck Fowler (DFL-Fairmont) carried S.F. 2885, a bill increasing local government aid payments and making special provisions for county seats with populations of less than 10,000. Sen. Cal Larson (R-Fergus Falls) presented two bills. S.F. 2975 increases the aid base for the city of Alexandria and S.F. 3237 increases the aid base for Parkers Prairie. A bill increasing the aid base for Hermantown, S.F. 2997, was carried by Sen. Becky Lourey (DFL-Kerrick). Sen. Steve Dille (R-Dassel) carried S.F. 2717, increasing the aid base for Hutchinson, and S.F. 2718, increasing the aid base for Darwin. Two bills were carried by Sen. Steve Murphy (DFL-Red Wing). S.F. 2700 increases the aid base for Hastings and S.F. 2701 increases the aid base for Red Wing. Samuelson also carried a bill increasing bases for local government aid statewide.

S.F. 3127, another bill authored by Samuelson, is a bill providing economic development tax incentives outside the Metropolitan Area.

Sen. Anthony "Tony" Kinkel (DFL-Park Rapids) carried a bill delaying the date by which taxes on certain resort property must be paid. S.F. 3294 allows small resorts to pay property taxes in July instead of May.

A bill increasing the agricultural homestead market value credit, S.F. 3105,

was presented by Sen. Dallas Sams (DFL-Staples). The bill increases the credit from 0.2 percent of the first \$115,000 of the property's market value to 0.4 percent of the first \$115,000 of market value. The bill also increases the maximum credit from \$230 to \$460.

S.F. 3011 was carried by Sen. LeRoy Stumpf (DFL-Thief River Falls). The bill decreases the class rate for agricultural homestead land to 0.35 percent for property with a market value less than \$115,000. Commercial, industrial, railroad and public utility property with a market value greater than \$150,000 has a class rate of 2.7 percent, under the bill. Mineral property also has a class rate of 2.7 percent. Changes to the formula for the homestead credit are also made in the bill. The proposal was laid over for further study.

Sen. John Hottinger (DFL-Mankato) carried a bill, S.F. 3116, eliminating the residential homestead market value credit for new homesteads located outside an incorporated area and initially occupied after Jan. 1, 2002. The bill is designed to conform with the philosophy of encouraging homestead construction in incorporated areas, where government services are less expensive to provide, Hottinger said.

S.F. 3247, carried by Sen. Bob Lessard (IND-Int'l. Falls), allows counties and school districts to levy back the amount they lost when the tree growth tax was abolished.

Sen. Edward Oliver (R-Deephaven) carried S.F. 2484. The bill exempts non-commercial seasonal recreational property from the state levy. Commercial seasonal recreational property remains subject to the levy and bears the burden of exempting the non-commercial property, according to the bill. The bill was laid over for further study.

The Department of Revenue policy bill, S.F. 3036, was carried by Sen. Mee Moua (DFL-St. Paul).

Telecommunications, Energy and Utilities

Phone solicitation bill approved

Members of the Telecommunications, Energy and Utilities Committee, chaired by Sen. James Metzen (DFL-South St. Paul), met Thurs., Feb. 21, to discuss a bill regulating telephone solicitation.

S.F. 3246, authored by Sen. Richard Cohen (DFL-St. Paul), establishes a list of

telephone numbers of individuals who do not wish to receive telephone solicitations. The bill makes available copies of the list to those wishing to make telephone solicitations, prohibits solicitation being made to any person on the list and establishes penalties for those who do solicit someone on the list.

Cohen said 95 percent of Minnesotans—according to a survey by the American Association of Retired Persons (AARP)—want telephone solicitation regulated. He said people receive hundreds of calls and have no idea how to prevent them from happening. Although the practice was once a legitimate sales technique, he said, it has now been ruined.

"It's just overwhelming at this point," he said.

Although he said he was in favor of the bill, Department of Commerce Commissioner Jim Bernstein spoke regarding some concerns. The department, he said, may need extra staff to establish and maintain what he assumes will be a large list and to field requests from telemarketers to obtain the list. While the bill covers some expected costs by requiring a \$15 fee for those wishing to obtain the list, he suggested the fee be set at \$50, or even \$100. Sen. David Tomassoni (DFL-Chisholm) moved to amend the \$15 fee requirement to allow the department to charge at least \$50 for the list. The amendment was adopted, and the bill was approved and re-referred to the Judiciary Committee.

Tomassoni carried S.F. 3002, which requires information and periodic training to be given regarding the proper method of dialing 9-1-1 from a multiline telephone system to those using the system.

Pete Eggimann, director of 9-1-1 services for the Metropolitan 9-1-1 Board, testified in support of the bill. He said the bill is necessary because emergency responders are many times sent to the wrong location because most multi-line telephone systems do not provide accurate caller location when a person calls 9-1-1. The systems, he said, are used in nearly every government, school and business facility, as well as various multi-tenant residential facilities and apartment complexes. He said when calls are received from the systems, emergency personnel don't know the exact location of the call, and they sometimes must go door to door to try to find the caller. The bill will go a long way towards solving the problem, he said.

Sen. Kenric Scheevel (R-Preston) said he was concerned that the bill might be seen as somewhat frivolous, since it involves the Legislature requiring that 9-1-1 use be taught. Eggimann said it may seem trivial, but if people get excited or don't know how to use the system, they will be fumbling around when lives are at stake. The bill was approved and re-referred to the Judiciary Committee.

Sen. Ellen Anderson (DFL-St. Paul) carried S.F. 3279, which establishes the Minnesota Nuclear Waste Security Council to review and analyze nuclear waste issues and to develop state policy regarding the disposal, storage and transportation of nuclear waste. The bill also requires the development of a plan to protect citizens from exposure to radiation leakage and a plan to protect the security of nuclear power plants. Minnesota law had established and then sunset the security council several years ago, but Anderson said it was appropriate to bring it back and update it because of the security issues faced today.

Sen. Steve Kelley (DFL-Hopkins) moved to amend the bill to ensure that the council does not deal with any of the issues surrounding the Prairie Island nuclear plant. He said the bill is written too broadly and that he wants to increase its focus on security. The amendment was adopted.

Several Senators wondered if the bill is necessary. Metzen said the Governor's Office has taken steps to prepare and study the security issues after the events of Sept. 11. He also said that any measure that increases the size of government may not be advisable at this time.

"I just don't know at this time that this is needed," he said. The bill was laid over.

Sen. Arlene Lesewski (R-Marshall) carried S.F. 3190. The bill exempts wind energy conversion systems installed after Jan. 1, 2002, from property tax and, instead, provides for a production tax on electricity from wind conversion systems. The bill was approved and re-referred to the Tax Committee.

S.F. 2683 was offered by Sen. Jane Ranum (DFL-Mpls.). The bill is a combination of several measures and enacts various antiterrorism measures, but members were mainly interested in the section regarding the 9-1-1 service fee. The bill changes the fee from 27 cents per month to a fee of no less than 8 cents nor more than 52 cents per month for 9-1-1

services. The bill requires that two cents each month be used for the development of a communication system connecting firefighters with emergency medical services providers and one cent be used for grants for medical resource communication efforts. The measure also requires that 17 cents per month be used for public safety answering points. The bill was approved and re-referred to the Finance Committee.

Kelley carried S.F. 3115, which authorizes the purchasing of equipment or services intended to reduce the energy costs of a state building or facility under certain conditions. The bill was approved and sent to the Senate floor.

Members also voted to confirm the appointment of Eagan resident Phyllis Reha to a six year term as a commissioner of the Public Utilities Commission.

Transportation

Housekeeping bills debated

Two housekeeping bills dominated discussion when the Transportation Committee, chaired by Sen. Dean Johnson (DFL-Willmar), met Thurs., Feb. 21. The Department of Public Safety housekeeping bill was carried by Sen. Steve Murphy (DFL-Red Wing), and was comprised of a host of technical and grammatical changes. Department of Vehicle Services Director Brian Lamm said the purpose of the bill was "simplification, streamlining, and to allow broad automation." Murphy proposed an amendment that consolidates various fees related to title transfers into a single amount, but the proposal sparked debate. Sen. James Metzen (DFL-South St. Paul) said the original purpose of some of the fees has lapsed and the amendment merely camouflages the old fees. Sen. Mark Ourada (R-Buffalo) said the amendment hides taxes, and questioned if all of the fees should be continued. After Lamm explained the history and basis of each of the fees, Murphy withdrew the amendment. The bill was approved and referred to the floor.

The Department of Transportation (MnDOT) housekeeping bill was carried by Johnson. Among the provisions in S.F. 3298 are provisions that reduce the number of vehicle inspections and records audits based on the safety data of motor carriers and clarify the state can access the records of drivers who are drug tested by the federal government. Because of earlier

concerns expressed by Sen. Satveer Chaudhary (DFL-Fridley), an amendment was adopted that ensures even motor carriers with excellent safety records will receive records audits at least once every four years. Another amendment was proposed that removes a registration redundancy for carriers of hazardous materials. The amendment was adopted. A third amendment that removes the prohibition against the commissioner using trunk highway money for transit funding surrounding a highway construction project received extensive discussion. Among the opponents of the amendment, Ourada said trunk highway money was never intended to be used for non-road construction purposes. Sen. Claire Robling (R-Prior Lake) questioned if diversionary transit around highway construction should be funded by the Metropolitan Council. Supporters of the amendment, such as Sen. Julie Sabo (DFL-Mpls.), said the funding flexibility created by the amendment is absolutely critical to keep traffic flowing around massive construction sites. The amendment was adopted. The bill was recommended to pass and sent to the floor.

Sen. Charles Wiger (DFL-North St. Paul) carried S.F. 2704, a bill that allows Washington County to process electronically certain vehicle registration renewals. Wiger said the bill also allows the county to charge an additional fee for accepting payments by credit card. The bill was approved and re-referred to the Finance Committee. Sen. David Johnson (DFL-Bloomington) carried S.F. 3277, a bill that requires all highways in the national highways system be subject to the same final construction plans procedures as interstate highways. The bill was recommended to pass and sent to the floor.

Segway rules discussed

Members of the Transportation Committee met Tues., Feb. 26, to discuss several bills, including new provisions for the recently unveiled Segway pedestrian device. Sen. Satveer Chaudhary (DFL-Fridley) carried S.F. 3122, a bill that exempts electric personal assistive mobility devices, presently manufactured exclusively by Segway LLC, from the definition of a motor vehicle for the purposes of licensing and traffic laws. The Segway is a small scooter-like device with several tiny gyroscopes that react to subtle

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body motion to propel the device in the appropriate direction, Chaudhary said. He said the bill is the legal infrastructure for the introduction of a new transportation technology. A Segway representative said the device was built to empower pedestrians, but won't be available to the public until later this year at the earliest. "The applications for this device are limited only by our imagination," the representative said. "This invention may change the face of personal transportation." Sen. Roy Terwilliger (R-Edina) said it is far too early to pass such legislation because the device is not even available to the public. The bill was recommended to pass and was sent to the floor.

Chaudhary also carried S.F. 3310, a bill that expands the definitions of violations for which a school bus driver endorsement can be revoked. The bill authorizes the commissioner of public safety to cancel a school bus driver's endorsement if the commissioner determines the person has been convicted of a gross misdemeanor or has been convicted of a series of violations deemed to present a risk to public safety. An amendment was adopted that clarifies only gross misdemeanors in areas that present a risk to the public safety would be considered by the commissioner when evaluating endorsements. The bill was recommended to pass and sent to the floor. A bill that returns three state highways to the counties and vacates another was also briefly discussed. S.F. 3293, also authored by Chaudhary, was recommended to pass and be placed on the Consent Calendar.

Testimony was heard regarding a bill that allows the definition of "special mobile equipment" to include street-sweepers, thus exempting the street-sweepers from vehicle taxation and licensing requirements. Clean Sweep Inc. representative Peter Coyle said the bill merely codifies into law what has been the official policy toward street-sweepers since 1970. Sen. Claire Robling (R-Prior Lake) offered an amendment that requires the commissioner of public safety to review all vehicles in the "special mobile equipment" category because she said she was concerned that some vehicles in the category were capable of highway speeds. She withdrew the change when the department indicated the category is being reviewed on an ongoing basis. The bill was recommended to pass and sent to the floor.

Robling carried a bill that allows charter buses with capacity of at least 40 passengers to use the shoulders of freeways in congestion. Robling said metro buses already have the authorization and the bill encourages higher-density transit. A Department of Transportation (MnDOT) representative said the department was not opposed to the bill, but had concerns about the increasing amount of traffic on highway shoulders. Terwilliger offered an amendment that allows vanpools to use the shoulders as well. The amendment was adopted. Sen. Mark Ourada (R-Buffalo) offered an amendment that repeals legislation passed last year that requires any contract entered into by MnDOT to be approved by the commissioner of the Department of Administration. The amendment was adopted. The bill was recommended to pass and sent to the floor.

Senate on the World Wide Web

The Minnesota Legislature's Web site has been updated. A joint effort of the Senate, House of Representatives, Legislative Reference Library, Legislative Commissions, and the Office of the Revisor of Statutes, the site offers easier access to a variety of legislative and government information.

The Legislature's page (<http://www.leg.mn>) includes links to other government agencies and departments, as well as copies of Minnesota Statutes, Session Laws, and Rules. The page also allows one to track legislation and get general information about the legislative process. The site includes a district finder service for those who need to contact their House member or Senator.

The Senate Web site (<http://www.senate.mn>) has information about members, committees and Senate staff. The page also has daily and weekly schedules for the Senate, as well as copies of the Journal and Senate Briefly. The status of legislation and confirmation of executive appointments by the Senate is also available.

The House of Representatives Web page (<http://www.house.mn>) includes membership and committee information. It also has daily news, information, and the daily House schedule. House journals and legislative information are also available.

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Preview

Monday, March 4

Rules and Administration Subcommittee on Elections

Chair: Sen. John Hottinger

8 a.m. Room 112 Capitol

Agenda: Campaign Finance and Public Disclosure Board bills: S.F. 3384-Hottinger: Election campaign finance and ethics provisions modifications. S.F. 3056-Hottinger: Election campaign finance provisions modifications.

Rules and Administration Committee

Chair: Sen. Roger D. Moe

10 a.m. Room 107 Capitol

Agenda: Pursuant to rule 21: S.F. 3193-Samuels; S.F. 3384-Hottinger; S.F. 388-Hottinger. Other.

The Senate will meet at 11:30 a.m.

E - 12 Education Budget Division

Chair: Sen. LeRoy Stumpf

Immediately after session Room 112 Capitol

Agenda: S.F. 2736-Pappas: Article I and 4 of Department of Children, Families and Learning policy bill. S.F. 2737-Pappas: Require commissioner to provide diesel fuel emissions information to school districts. S.F. 2745-Kelley: Broadening health, safety program to include school safety costs. S.F. 2946-Vickerman: Extend disabled access levy for ISD 2898, Westbrook-Walnut Grove. S.F. 2983-Pogemiller: Expanding use of building lease levy. S.F. 3196-Tomassoni: Extend levy for retired employee health benefits. S.F. 3225-Johnson, Douglas: Adjusting referendum transfer for ISD 709 - Duluth. S.F. 3106-Kelley: Require single uniform teacher application. S.F. 3142-Neuville: Modify tuition provisions for MN State Academies.

Environment and Agriculture Budget Division

Chair: Sen. Leonard Price

3 p.m. Room 318 Capitol

Agenda: S.F. 2125-Moe, R.D.: Consolidated Conservation land sale. S.F. 2674-Krentz: Game and fish bill. S.F. 3054-Tomassoni: Petrofund tank removal reimbursements. S.F. 3177-Frederickson: Wastewater infrastructure funding pro-

gram. S.F. 2933-Kinkel: Sewage treatment systems. S.F. 3010-Stumpf: Maintaining, monitoring and enforcement of recreational motor vehicles. S.F. 3353-Sams: Ag chemical response and reimbursement fund. S.F. 2738-Price: Natural resources provisions modifications. S.F. 3352-Lessard: Relating to the drycleaner clean-up fund. S.F. 3176-Frederickson: Public facilities authority bonding authority increase. S.F. 2594-Stevens: Agriculture and renewable energy loan program.

Tuesday, March 5

The Senate will be in session at 9 a.m.

Wednesday, March 6

Health, Human Services and Corrections Budget Division

Chair: Sen. Linda Berglin

10 a.m. Room 123 Capitol

Agenda: S.F. 2840-Murphy: Rate increase for certain hospitals. S.F. 3119-Sams: DHS Mental health services coverage. S.F. 2918-Berglin: MFIP 60 month limit moratorium. S.F. 3099-Berglin: DHS continuing care policy. S.F. 2611-Ranum: Interstate compact adult offender. S.F. 2622-Kiscaden: Volunteer health care provider program. S.F. 2811-Kiscaden: MA donated dental services program. S.F. 3155-Kiscaden: Dentist and hygienist guest license.

The Senate will meet at 12 noon.

Income and Sales Tax Budget Division

Chair: Sen. Don Betzold

4 p.m. Room 318 Capitol

Agenda: S.F. 3338-Kiscaden: Rochester additional lodging tax imposition authority. S.F. 3287-Belanger: Bloomington lodging tax rate increase. S.F. 3042-Johnson, Douglas: Ely sales and use tax imposition and bonding authority. S.F. 135-Lourey: Expanding uses for Hermantown sales tax. S.F. 134-Lourey: Authorizing Cloquet to impose sales tax. S.F. 2416-Lesewski: Sales tax exemption for businesses in small cities. S.F. 3348-Schwab: Authorizing the city of Albert Lea to impose a local sales and use tax. S.F. 3387-Day: Authorizing the city of

Medford to impose a local sales and use tax. S.F. 802-Robling: Counties tribal tax agreement payments appropriation limit elimination.

State Government, Economic Development and the Judiciary Budget Division

Chair: Sen. Richard Cohen

4 p.m. Room 107 Capitol

Agenda: To be announced.

Transportation and Public Safety Budget Division

Chair: Sen. Dean E. Johnson

4 p.m. Room 112 Capitol

Agenda: Transportation funding proposal.

Health, Human Services and Corrections Budget Division

Chair: Sen. Linda Berglin

4:30 p.m. Room 123 Capitol

Agenda: All bills not completed during morning meeting. S.F. 2793-Vickerman: Plan to certify children's mental health residential facility (out of state). S.F. 3397-Berglin: Veterans Nursing Home Board.

Thursday, March 7

The Senate will be in session at 9 a.m.

Finance Committee

Chair: Sen. Douglas J. Johnson

1 p.m. Room 123 Capitol

Agenda: S.F. 887-Lourey: Creating registration for medical response units. S.F. 619-Lourey: Requiring plumbers to be licensed.

Tax Committee

Chair: Sen. Lawrence Pogemiller

4 p.m. Room 15 Capitol

Agenda: S.F. 1857-Johnson, Dean: Stadium proposal.

Friday, March 8

Tentative

The Senate will be in session at 9 a.m.

Finance Committee

Chair: Sen. Douglas J. Johnson

1 p.m. Room 123 Capitol

Agenda: To be announced.

Minnesota Senate 2002

Party	Phone	Name	Room	District	Party	Phone	Name	Room	District
DFL	296-5537	Ellen R. Anderson	120 Cap.	66	DFL	296-4370	James P. Metzner	322 Cap.	39
R	296-4351	Michele M. Bachmann	125 SOB	56	DFL	296-2577	Roger D. Moe	208 Cap.	2
R	296-5975	William V. Belanger, Jr.	113 SOB	41	DFL	296-5285	Mee Moua	323 Cap.	67
R	296-5094	Charles A. Berg	25 SOB	13	DFL	296-4264	Steve Murphy	306 Cap.	29
DFL	296-4261	Linda Berglin	309 Cap.	61	R	296-1279	Thomas M. Neuville	123 SOB	25
DFL	296-2556	Don Betzold	G-9 Cap.	48	R	296-4837	Edward C. Oliver	117 SOB	43
DFL	296-4334	Satveer Chaudhary	325 Cap.	52	R	296-1282	Gen Olson	119 SOB	34
DFL	296-5931	Richard J. Cohen	317 Cap.	64	DFL	296-4191	Myron Orfield	227 Cap.	60
R	296-9457	Dick Day	147 SOB	28	R	296-5981	Mark Ourada	145 SOB	19
R	296-4131	Steve Dille	103 SOB	20	DFL	296-1802	Sandra L. Pappas	120 Cap.	65
R	296-2084	Michelle L. Fischbach	15 SOB	14	R	296-5252	Pat Pariseau	109 SOB	37
DFL	296-4154	Leo T. Foley	G-24 Cap.	49	DFL	296-7809	Lawrence J. Pogemiller	235 Cap.	59
DFL	296-5713	Chuck Fowler	G-9 Cap.	26	DFL	297-8060	Leonard R. Price	235 Cap.	57
R	296-8138	Dennis R. Frederickson	139 SOB	23	DFL	297-8061	Jane B. Ranum	120 Cap.	63
DFL	296-9246	Linda Higgins	328 Cap.	58	R	296-1253	Mady Reiter	132D SOB	53
DFL	296-6153	John C. Hottinger	205 Cap.	24	DFL	296-2889	Ann H. Rest	G-24 Cap.	46
DFL	296-9261	David H. Johnson	124 Cap.	40	DFL	296-5419	Twyla L. Ring	306 Cap.	18
DFL	296-3826	Dean E. Johnson	124B Cap.	15	R	296-4314	Martha R. Robertson	141 SOB	45
R	296-3219	Debbie J. Johnson	149 SOB	50	R	296-4123	Claire A. Robling	143 SOB	35
DFL	296-8881	Douglas J. Johnson	205 Cap.	6	DFL	296-4274	Julie A. Sabo	317 Cap.	62
DFL	297-8065	Steve Kelley	321 Cap.	44	DFL	297-8063	Dallas C. Sams	328 Cap.	11
R	296-5649	Bob Kierlin	127 SOB	32	DFL	296-4875	Don Samuelson	120 Cap.	12
DFL	296-4913	Anthony G. "Tony" Kinkel	G-9 Cap.	4	R	296-3903	Kenric J. Scheevel	129 SOB	31
R	296-4848	Sheila M. Kiscaden	135 SOB	30	DFL	296-8869	Linda Scheid	303 Cap.	47
R	296-6455	Dave Kleis	107 SOB	16	R	296-9248	Grace S. Schwab	151 SOB	27
R	296-4120	David L. Knutson	133 SOB	36	DFL	296-4188	Yvonne Prettner Solon	303 Cap.	7
DFL	296-7061	Jane Krentz	111 Cap.	51	R	296-8075	Dan Stevens	105 SOB	17
DFL	296-3205	Keith Langseth	122 Cap.	9	DFL	296-8660	LeRoy A. Stumpf	G-24 Cap.	1
R	296-5655	Cal Larson	153 SOB	10	R	296-6238	Roy Terwilliger	115 SOB	42
R	296-4125	Arlene J. Lesewski	131 SOB	21	DFL	296-8017	David J. Tomassoni	111 Cap.	5
IND	296-4136	Bob Lessard	G-51 SOB	3	DFL	296-5650	Jim Vickerman	226 Cap.	22
R	296-2159	Warren Limmer	155 SOB	33	DFL	297-8073	Deanna L. Wiener	303 Cap.	38
DFL	296-0293	Becky Lourey	G-9 Cap.	8	DFL	296-6820	Charles W. Wiger	301 Cap.	55
DFL	296-5645	John Marty	325 Cap.	54					

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Senate Briefly

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In anticipation of statewide precinct caucuses being held Tues., Mar. 5, Legislators vacated the Capitol to travel to their respective districts, resulting in a much quieter than usual Capitol rotunda.

Photo by Shelley Hawes



March 8, 2002

Senate Highlights

Transportation package discussed

A plan to address a large portion of Minnesota's transportation funding needs was considered Wed., Mar. 6, by the Transportation and Public Safety Budget Division. Members, led by Sen. Dean Johnson (DFL-Willmar), also approved a MnDOT housekeeping bill.

Johnson authored S.F. 2812, the funding package. The bill provides for the creation of a multimodal transportation fund with two accounts: one to be controlled by the Department of Transportation (MnDOT) and one to be operated by the Metropolitan Council. The package includes several sources of increased revenues. The bill raises the gasoline excise tax by seven cents and indexes the tax to inflation in future years. S.F. 2812 also deletes language establishing maximum tax rates for vehicle registration and authorizes a November 2002 referendum on a 0.5 percent sales tax in the 11-county Metropolitan Area for highway spending.

Sen. Dick Day (R-Owatonna) said a good, bipartisan plan had been previously considered, but that the plan before the panel was a turn for the worse. "I can sell my district on a gas tax, but I can't sell them on a seven-cent gas tax," he said. Johnson said MnDOT has indicated it

needs at least \$800 million annually in new, permanent funding to keep up with Minnesota's transportation needs. Previous proposals did not reach that level of funding, he said. Johnson emphasized that, under the bill, vehicle registration fees—commonly called "license tab fees"—are not increased for current vehicles. Only if a consumer buys a new car will the higher fees take effect, he said.

Representatives of several organizations spoke on the bill. Carol Lovro, Association of Minnesota Counties, said the bill is long overdue. However, she said, the association has concerns regarding specifics in the bill's distribution of funds around the state. Robert Vanasek, representing the Minnesota Inter-County Association, said a better compromise might be an equal weighting for population and needs in the distribution formula. Sen. Keith Langseth (DFL-Glyndon) said that if the equal split was right in placing so much emphasis on population, then transit funding should be handled similarly. However, Langseth said, such an approach would be wrong. The bill presents a good compromise, he said, that both sides should be able to accept.

Julie Bleyhl, AFSCME Council 6, said the bill lacks language requiring MnDOT to use state employees or other union

labor. Commissioner Elwyn Tinklenberg said the department will have to re-evaluate internal resources and its approach to meeting transportation needs with the increased funding but with hiring and contract freezes in effect. Representatives of the Minnesota Chamber of Commerce, Association of Metropolitan Municipalities, Minnesota Association of Small Cities, Council of Greater Minnesota Counties and Minnesota Rural Counties Caucus spoke in favor of a transportation funding proposal. No action was taken on S.F. 2812.

The panel also considered another proposal from Johnson, S.F. 3298. The measure is the MnDOT housekeeping bill. The bill also provides for various trunk highway bonding projects. S.F. 3298 was advanced to the full Finance Committee.

Contract procedure okayed

Senators devoted most of the Mon., Mar. 4, floor session to debating a bill, S.F. 3208, that allows state employee contracts to go into effect without legislative ratification. Current law requires both bodies of the Legislature to approve collective bargaining agreements negotiated between the administration and state employee unions.

Majority Leader Roger Moe (DFL-Erskine), chief author of the bill, said the measure makes the legislative position consistent with the Legislative Coordinating Commission's position. "In other words, if the LCC does not act, then the contract goes into effect. The Legislature would have to disapprove a contract before the end of a session, otherwise the contract goes into effect," he said.

Several members argued against the bill on the grounds that the measure abrogates the Legislature's responsibility. Sen. David Knutson (R-Burnsville) said, "Ultimately it is our responsibility and obligation to affirmatively approve the contracts negotiated on behalf of the people."

However, Moe responded, "I suggest that we change our process simply because you either agree with the bargaining process or you don't. You agree with the process and then step back and let it work, or you don't. The bill does not preclude the Legislature from looking at the contracts, nor does it preclude the Legislature from voting contracts down."

Sen. Sheila Kiscaden (R-Rochester) said, "The contract situation right now is

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difficult, but I'm not sure we want to change public policy. I think this is a dangerous way for us to go because it allows the Legislature to avoid conflicts and avoid responsibility for labor contracts. I think the Legislature should have a role and the bill begins to take us out of the process." Sen. John Hottinger (DFL-Mankato) countered that without the bill, one body is allowed to block a contract. "To allow a single house to defy the collective bargaining process is not a good way to go about the state's business," he said.

The measure was granted final passage on a 35-23 roll call vote.

Phone solicitation bill approved

Members of the Judiciary Committee, chaired by Sen. John Marty (DFL-Roseville), met Fri., Mar. 1, to discuss a bill regulating telephone solicitation.

S.F. 3246, carried by Sen. Richard Cohen (DFL-St. Paul), establishes a list of telephone numbers of individuals who do not wish to receive telephone solicitations. The bill makes available copies of the list to those wishing to make telephone solicitations, prohibits solicitation being made to any person on the list and establishes penalties for those who do solicit someone on the list.

Sen. Thomas Neuville (R-Northfield) said he was concerned with the number of exceptions to the definition of telephone solicitation in the bill. He said he was particularly concerned with the clause exempting communications made by or on behalf of any person or entity that a residential subscriber has a prior or current business or personal relationship with. Many organizations could fall into the exemption, he said, especially when taking into account the subsidiaries and affiliates of various companies. Sen. Leo Foley (DFL-Coon Rapids) said the bill still allows solicitation calls from telephone companies. He said he receives a large amount of those kinds of calls and that they should be considered for inclusion in the prohibition. He said that although he supports the bill, it is too weak and "watered down." The bill, he said, represents the concerns of the industry.

Cohen said the bill is probably not perfect because it does allow a certain number of calls to continue. He also said that the bill involves compromises with members of the business community. However, he said, the measure takes care

of the majority of calls and goes a long way toward dealing with the issue.

Cohen offered an amendment that adds another exemption to the list. It allows solicitation by a person if they intend to complete the sales presentation at a later face-to-face meeting. The amendment also specifies that a solicitor is not liable for contacting a subscriber on the list during the first 30 days after first obtaining a copy of the list.

Regarding the first part of the amendment, Marty asked why calls would be allowed simply because their purpose was to meet and finish the sales pitch. He said he pictured many companies stating their desire to meet face-to-face and stretching such a clause as far as possible. Marty divided the amendment into two sections. The section regarding liability was approved. The committee also adopted the section of the amendment relating to face-to-face sales resulting from telephone solicitation.

Marty offered an amendment creating an exemption for solicitations resulting from direct referrals made by personal acquaintances of the subscriber. Sen. Warren Limmer (R-Maple Grove) said referral calls are usually made by people who are good in their profession. "These are good old American referrals that make pretty good business," he said. The amendment was adopted.

The committee considered an amendment adding phone calls made to establish a business relationship with a subscriber to the definition of telephone solicitation. The amendment, offered by Limmer, was adopted.

Limmer also offered an amendment granting the authority to impose self-executing penalties to the powers of the Public Utilities Commission. He said the language clarifies existing PUC authority to regulate anti-competitive conduct. Self-executing penalties, Limmer said, save time and costs involved in litigation. Assistant Attorney General Jeanne Cochran said the attorney general supports the language as an important regulatory tool. A representative of Qwest Communications spoke against the language, saying it allows his company to be fined twice, at the federal level and the state level, for the same infraction. He also disputed claims that the amendment clarifies existing PUC authority. Rather, he said, the language expands the commission's powers. The amendment was adopted. S.F. 3246 was

approved and re-referred to the Finance Committee.

Neuville authored S.F. 3114. The bill allows obligors to obtain a limited drivers license for 90 days when they fall behind on their child support payments. In current law, when an individual falls three months behind on child support payments the individual's license is suspended until a payment agreement is reached. The measure allows an obligor whose drivers license has been suspended to bring a motion to have it reinstated. Under the bill, if the license is reinstated, a written payment agreement must be established. The bill also provides for the establishment of a child support graduated payment plan that is tailored to the financial circumstances of each obligor when an obligor is in arrears. Neuville said a limited drivers license may be used in order for the obligor to go to work, school or treatment so they are able to pay the support they owe.

Mark Fiddler, from the Child Support Enforcement Division in the Minnesota Department of Human Services, testified in support of the bill. He said the goal of the department is to put obligors in a position to continue their payments, and the bill helps this get accomplished. The bill was approved and re-referred to the Finance Committee.

Marty carried S.F. 3206, which specifies that data regarding an employee's dependents is considered private data. The bill also shifts social security administrative duties from the Department of Employee Relations to the Public Employees Retirement Association. The bill was approved and sent to the Senate floor.

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Committee update

Agriculture, General Legislation and Veterans Affairs

Water pollutant provision modification approved

Members of the Agriculture, General Legislation and Veterans Affairs Committee, chaired by Sen. Steve Murphy (DFL-Red Wing), met Fri., March 1, to hear a bill regarding the release of pollutants into safe waters.

S.F. 2664, carried by Sen. Kenric Scheevel (R-Preston), modifies current law that prohibits the release of any substance into water that injures, is detrimental to the propagation of or taints the flesh of wild animals.

The bill exempts land applied manure or stockpiled manure managed according to rules in current law from any penalties established under the prohibition.

The bill also prohibits the construction of new open air swine basins, except that existing facilities may use one basin of less than 1 million gallons for a waste treatment program to resolve pollution problems or to convert an existing basin of less than 1 million gallons to a different animal type if all standards are met.

Tom Dunwald of Clean Water Action testified in opposition to the bill. He said the bill adds more exceptions to law and effectively prevents the Attorney General's Office from bringing action against a farmer for disposing pollutants into state waters.

The bill, he said, does not represent good public policy.

Scheevel said the impetus for the bill came from an incident in his district where a large rainstorm caused a farmer's field to overflow and wash away manure into a nearby river. As a result, he said, the manure was alleged to have killed many fish in the river.

However, he said the Minnesota Pollution Control Agency and the Department of Natural Resources had conflicting rules on how to deal with the situation and did not know how to best proceed.

He said the bill brings their rules together and "puts them on the same page." He also said similar exemptions are already allowed in other circumstances.

The bill was approved and sent to the Senate floor.



Participants in a rally sponsored by the Cleanwater Action Alliance of Minnesota voiced their opinions in the Capitol rotunda Thur., Feb. 28. Photo by Shelley Hawes

Commerce

Property disclosures discussed

The Commerce Committee, chaired by Sen. Linda Scheid (DFL-Brooklyn Park), met Fri., Mar. 1, to discuss several bills, including legislation that establishes disclosure requirements for sellers of

residential real estate. Sen. Ann Rest (DFL-New Hope) carried the measure that she said was friendly to consumers.

"Buyers can enter into a contract with the most accurate information from sellers and have more confidence in the transaction," Rest said about S.F. 2697.

Susan Dioury from the Minnesota Association of Realtors said the bill requires sellers to disclose material facts about any adverse physical conditions of the property, an improvement over the current situation where realtors are liable for property defects that owners hide. David McGee said that because of recent court decisions, disclosure rules in Minnesota have become confused. "This bill brings clarity to the law, promotes the exchange of information, and gives buyers basic information about the physical condition of the home," said McGee.

Sen. Bob Lessard (IND-Int'l. Falls) said the disclosure requirements were dangerous to sellers. "It's like opening a Pandora's Box," he said. Sen. Deanna Weiner (DFL-Eagan) disagreed, saying the bill actually protects sellers by clearly defining what must be disclosed. Sen. John Marty (DFL-Roseville) proposed an amendment that removes the fact the home was the site of a homicide or felony from provisions excluded from disclosure. His amendment was adopted, and the effective date for the bill was changed to Jan. 1, 2003. The bill was recommended to pass and sent to the floor.

The omnibus banking bill was carried by Sen. James Metzen (DFL-South St. Paul). Metzen said the bill essentially provides "more disclosure, more information, and more consumer protection." Included in the bill, Metzen said, are provisions that sharply curtail excessive or hidden prepayment penalties charged by unscrupulous mortgage lenders and that prevent lenders from adding any fees over 5 percent into the principal amount of a mortgage loan. Metzen added the bill requires the addition of a very striking disclosure about prepayment penalties.

Sen. Sandra Pappas (DFL-St. Paul) noticed the violations section had been deleted, but Deputy Commerce Commissioner Kevin Murphy assured her the department can enforce violations with fines up to \$10,000 per day. The bill was recommended to pass and sent to the floor.

Scheid brought forth S.F. 3315, a bill that relates to the Joint Underwriters Association (JUA), the organization established by state law to provide medical malpractice insurance to health care providers unable to obtain medical malpractice insurance in the regular market. Attorney Doug Franzen, representing the JUA, said the bill is comprised of two parts, a section that allows the JUA to

refuse coverage to any individual who poses a grave risk, and a repealer section that eliminates a provision that required all categories of JUA coverage to be reauthorized by the commissioner of commerce every two years. The bill was recommended to pass and be placed on the Consent Calendar.

Scheid also carried the Department of Commerce housekeeping bill, S.F. 3024. Department of Commerce official Mary Lippert said that included in the mostly technical sections in the bill are provisions that regulate continuing education requirements for real estate appraisers and licensees and allow interstate reciprocity for licensed cosmetologists. The bill was recommended to pass and sent to the floor.

The last agenda item was the Department of Commerce insurance technical bill, S.F. 3023, also carried by Scheid. An amendment was adopted that details the coverage limitations for breast reconstruction surgery and modifies language related to claims transactions to match provisions in the federal government's Health Insurance Portability and Accountability Act (HIPAA). The bill was recommended to pass and sent to the floor.

Lessard moved to reconsider S.F. 1609, a bill that legalizes some fireworks in the state, but was defeated earlier by the committee in a tie vote. The motion passed. Bill sponsor Sen. David Tomassoni (DFL-Chisholm) introduced an amendment that further reduced the definition of legal fireworks to novelty items such as sparklers. The amendment was accepted. Tomassoni said the bill merely puts Minnesota on par with the vast majority of other states with legalized fireworks. He added the fireworks that are proposed are the least dangerous in terms of injuries and fire risk. Fire chiefs representative Bill Strusinski said the proposed items are hardly innocuous. "Fireworks cause more fires on the Fourth of July than all other causes combined," Strusinski said. However, the bill was approved and re-referred to the Crime Prevention Committee.

Crime Prevention

DNA expansion okayed

Members of the Crime Prevention Committee, chaired by Sen. Jane Ranum (DFL-Mpls.), met Fri., Mar. 1, and approved a bill requiring more individuals to provide DNA samples for future DNA analysis.

S.F. 3290, authored by Sen. Dave Kleis (R-St. Cloud), expands the scope of the DNA collection law to include persons who have been convicted of a felony. Currently, most of the crimes for which DNA samples must be collected are violent crimes against the person. The bill expands the law to include requiring samples from persons convicted of non-violent crimes. Kleis said the expanded collection of DNA samples provides for more cost-effective use of resources, speeds apprehension of some offenders and exonerates the innocent.

Originally, the bill required DNA sample collection from anyone charged with a felony, even if the resulting conviction was for a lower level crime. Sen. Don Betzold (DFL-Fridley) said the expansion to persons charged, but not necessarily convicted of a felony, is very expansive. Betzold offered an amendment, which the panel adopted, to require the samples of individuals convicted of a felony.

The bill was approved and advanced to the Finance Committee.

The committee also approved a bill modifying the authority to set aside disqualifications of human services license applicants. S.F. 2692, authored by Sen. Dallas Sams (DFL-Staples), modifies the list of crimes for which individuals are disqualified from obtaining human services licenses and modifies the list of crimes that disqualify individuals for 15 years unless the individuals apply for a set aside. Sen. Linda Berglin (DFL-Mpls.) offered an amendment reducing the list of crimes for permanent disqualification and adding to those that must be reviewed after 15 years. Berglin said the set aside process has worked well and that the amendment attempts to strike a balance. The amendment was adopted. Berglin offered an additional amendment providing for a review of the background study process and the Vulnerable Adult Act to determine the issues in need of policy review. The amendment was also adopted.

Members approved the bill and advanced the measure to the full Senate.

A bill providing a procedure for returning property seized by law enforcement agencies sparked considerable debate. S.F. 2926, authored by Sen. Grace Schwab (R-Albert Lea), originally required law enforcement agencies to return personal property seized under the forfeiture law if criminal charges are not

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filed within 30 days. Schwab offered an amendment at the outset, which sets forth a judicial procedure for an individual to follow in order to get property that had been seized returned. The amendment was adopted.

Proponents of the measure argued that the bill is needed because personal property may be seized and kept indefinitely without criminal charges being filed. Opponents, however, said investigations may last for a period of years and it is not always possible to determine if the property is needed as evidence until the investigation is completed. Members attempted to amend the bill in order to address concerns raised by prosecutors and law enforcement officials, but time constraints prevented the completion of work on the bill. Schwab withdrew the bill in order to continue work on the issue over the interim.

E-12 Education Budget Division

Levies, funding bills heard

The E-12 Education Budget Division met Mon., Mar. 4, and considered several levy and funding related measures. Sen. LeRoy Stumpf (DFL-Thief River Falls) chaired the division.

The group heard three bills authorizing levies. The first, S.F. 3196, authored by Sen. David Tomassoni (DFL-Chisholm), allows school districts to levy for employer-paid health costs for retirees who retired prior to July 1, 1999, if the district had this benefit in their collective bargaining agreement as of Mar. 30, 1999. The bill changes the eligible retirement date from July 1, 1992 to July 1, 1999. The bill, and the other levy bills, were laid over for consideration in an omnibus levy bill.

The second levy bill, S.F. 2983, sponsored by Sen. Lawrence Pogemiller (DFL-Mpls.), extends the use of a levy provided to school districts involved in Technology and Information Education Services (TIES), a joint powers organization. The bill permits individual school districts to levy to cover the cost of TIES's new location in St. Paul, Pogemiller said. The measure, he said, allows schools to prevent diverting money from classrooms to pay for the new building.

The third levy bill heard by the division, S.F. 2946, offered by Sen. Jim

Vickerman (DFL-Tracy), allows the Westbrook-Walnut Grove school district to levy the remaining disabled access level over the next five years. Vickerman said the money is needed to pay for elevators, and enable an expansion of a school currently experiencing an influx of immigrants.

Sen. Douglas Johnson (DFL-Tower) presented a measure that adjusts the referendum transfer for the Duluth school district. He said the bill makes technical changes that will permit Duluth to receive the appropriation the Legislature intended the school to get last year. The bill was also laid over for consideration in a larger bill.

Sen. Steve Kelley (DFL-Hopkins) brought two bills before the committee. The first, S.F. 3106, requires the Dept. of Children, Families and Learning (CFL) to design and use a uniform application form for E-12 teachers, which must be used by every school district. Kelley said the cost of designing the form is greatly outweighed by the savings of administration costs. The division laid the bill over.

Kelley's second bill, S.F. 2745, broadens the uses of health and safety program levies to cover student and staff safety costs. He said the cost of having police liaison officers in schools often exceeds the levy amounts allowed for crime prevent purposes. He said most school districts split the cost of police officers in the school with the city, but the price for officers in schools can be more than \$16 million each year. The bill was held over for possible inclusion in a levy bill.

Sen. Thomas Neuville (R-Northfield) brought forth S.F. 3142, which makes changes in the way transactions are made between the Minnesota State Academies for the Blind and Deaf and the general fund. The formula modifications, he said, are needed to bring the academies into compliance with law. The bill incorporates changes recommended by the state auditor. The bill, which was laid over, will be considered for inclusion in a broader budget measure.

Sen. Sandra Pappas (DFL-St. Paul) presented a pair of measures to the panel. S.F. 2737, which was laid over, requires each school district to provide notice to parents about the risks of diesel fuel emissions and the actions that have been taken to protect school children from exposure. The bill contains the exact

language that the notice must include, which outlines the risks associated with diesel emissions. She said schools are especially important targets for eliminating diesel emission because of the combination of diesel powered buses and large numbers of children.

Pappas' other measure, S.F. 2736, makes numerous technical and clarifying to CFL policies. The bill, which is based on recommendations of the department, was amended into the division's larger policy bill.

Statewide insurance pondered

The E-12 Education Budget Division convened Wed., Mar. 6, to weigh a gamut of policy and funding policy options offered to the members. Measures addressed by the group included a bill that establishes a statewide insurance pool for school employees and measures permitting charter and private school students to join public school sports teams.

The statewide insurance bill creates a school employee insurance plan provided through the public employees insurance program. The measure specifies that a labor-management board with representatives from participating school districts governs the plan and determines its structure, benefits and premiums.

Sen. LeRoy Stumpf (DFL-Thief River Falls) said the insurance program, by amassing a large pool of all state employees, would help to stabilize rocketing insurance costs and minimize administration fees. He said the University of Minnesota, which recently created its own insurance pool, has reduced costs using a similar strategy. He said currently many school districts allow younger teachers to cash out of insurance plans in exchange for payment of about \$300 a month. The result, he said, is that the average age of covered employees and premiums are bumped up.

Lee Johansen, representing Education Minnesota, said school districts spend about \$400 million on insurance each year and the cost is rising 16 percent annually. He said if first-year teacher salaries were increased proportionally to the booming cost in insurance, in 5 years a starting yearly salary would be \$60,449. "To do nothing about the cost of insurance," he said, "is to allow runaway insurance premiums to create havoc for local school districts."

Carolyn Jones said the state insurance plan premiums are typically \$3,000 or \$4,000 more expensive than private plans. Lee Warren, representing the Minnesota Service Co-op, which administers a large pool of school employees for insurance purposes, said Stumpf's bill does nothing to address the driving forces behind insurance costs, such as growing prescription drug use and increases in utilization rates. "What we need is a fair, competitive bidding procedure," he said. The bill does not include a process for bids for coverage.

Bob Meeks, representing the School Board Association, said, "Let's look across the board for solutions. People say we are going to lose teachers if we don't give them insurance, but they also say we are going to lose teachers if we don't increase salaries. What should we do if we can only spend a dollar once?"

Sen. Martha Robertson (R-Minnetonka) said it is difficult to consider the budget ramifications of the insurance changes because there was no fiscal information available on the bill.

Sen. Kenric Scheevel (R-Preston) offered an amendment that he said builds on the state employees current insurance program. The amendment requires all employees covered by the public employee insurance program to be placed in a single pool for purposes of coverage and premiums. Warren said 20 school districts participate in the public employee insurance program, which he estimates have 5 percent administration costs, while 300 school districts choose to be part of the service co-op's pool, which has 2 percent administration costs.

The division added Scheevel's provision to Stumpf's bill, then moved the bill to the Education Committee without recommendation.

Sen. Gen Olson (R-Minnetrista) offered two bills that allow students to participate in public school sports. S.F. 2167 permits private school students to play sports in the public schools in their resident district. S.F. 2912 extends the same privilege to charter school students. "The bill is, quite simply, about equality," she said. "Schools can't discriminate

against kids and deny them opportunities because of choices their parents made about where to send them to school."

Roger Arnst, from the Minnesota State High School League, said, "The bill asks public schools to subsidize activities of charter and non-public school students." Meeks said the bill cuts opportunities for public school students, who will lose their places on teams to private and charter school students.

Steve Olinger, a hockey coach whose son, a private school student, was recently kicked off a public high school basketball team, said, "Students who want to play sports in districts where their parents pay taxes should get to try out for the team. We should serve all kids fairly no matter where they go to school." He said home-schooled students already have the privilege of playing public school sports.

Senators Sandra Pappas (DFL-St. Paul) and Jane Ranum (DFL-Mpls.) both said they were concerned about the cost of accepting non-public school students into sports programs. "The cost will be more than you might think," Ranum said. Olson



Senate Education Committee members vote on an amendment to a bill by a show of hands during one of their last meetings prior to the second deadline for committee action.

Photo by David J. Oakes

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offered an amendment that gave schools authority to levy for the additional costs, but withdrew the amendment. She said charter and non-public school students would have to pay for the cost of participating. The committee voted against both bills.

The committee amended four bills into the omnibus E-12 policy bill. S.F. 2747, authored by Sen. Ann Rest (DFL-New Hope), allows intermediate school districts to use tax anticipation certificates in the same way school districts are currently. She said in tight budget times the additional flexibility would help intermediate school districts solve minor cash flow problems. Sen. Jane Krentz (DFL-May Township) said, "After cuts after cuts after cuts, we should at least give intermediate districts the flexibility that help them get through this."

Sen. Claire Robling (R-Prior Lake) sponsored S.F. 3014, the second bill amended into the policy bill. The bill makes minor technical changes to the at-home infant care program.

Sen. Julie Sabo (DFL-Mpls) offered the third bill added to the policy measure. S.F. 2519, which has no fiscal impact, requires school boards to adopt policies on student-on-student sexual abuse.

The final bill amended into the policy measure was offered by Sen. Warren Limmer (R-Maple Grove). His S.F. 2982 repeals the requirement that a school year include at least three additional days of student instruction or staff development beyond the number of days formally adopted for the 1996-1997 school year. Limmer said the bill removes an unfunded mandate.

The members laid over S.F. 3249, authored by Sen. Chuck Fowler (DFL-Fairmont). The measure increases the equalizing factor in the debt service equalization program for the Lake Crystal school district. He said the additional funding is needed to pay for repairs to a building that is almost 100 years old, but has not been repaired for over 30 years.

Environment and Natural Resources

Citizen water monitoring approved

Committee Chair Jane Krentz (DFL-May Township) presented to the Environment and Natural Resources Committee, when the group met Thurs., Feb. 28, a

measure that requires the Minnesota Pollution Control Agency (MPCA) to encourage citizen monitoring of lakes, rivers and streams.

Krentz said that of the state's 92,000 miles of streams, only 5 percent have been tested for water quality. Only 15 percent of the state's 15,000 lakes have known water qualities, she said. By promoting programs that enable citizens to collect water quality samples from lakes, rivers and streams in their communities, she said, the MPCA could find out the conditions of the state's water without the expense of traveling across the state to test waters.

Under her bill, S.F. 2932, the MPCA facilitates citizens' efforts to test water by providing technical assistance, integrating citizen monitoring data into water assessments and programs and by seeking financial support for citizen water monitoring programs.

"People who live by water want to help improve its quality," Krentz said. "We have a treasure and we need to protect it," she said.

Senators Jim Vickerman (DFL-Tracy) and Pat Pariseau (R-Farmington) said they worried that citizens might taint the water samples in order to influence MPCA policy. For example, Vickerman said, a group trying to clean up a river might put more polluted water in the sample to convince the MPCA to do something for their water. Krentz said that water samples would be collected several times over a span of time and irregularities would appear if people were tainting samples. She also said the MPCA would conduct its own tests before making any major decisions. The purpose for the citizen sampling, she said, was not to determine policy, but to give the agency a clearer picture of the condition of the state's waters, which is currently unknown.

The committee okayed the bill and forwarded the measure to the full Senate.

The committee also heard S.F. 1811, sponsored by Sen. Mark Ourada (R-Buffalo), which outlines the jurisdictions held by municipalities over drainage ditches. Under the bill, authority over drainage ditches may be transferred from counties to water management authorities, such as cities and watershed districts. Ourada said the bill is needed to clarify the procedures for dealing with drainage ditches in areas that are no longer rural. Kent Lokkesmoe from the Dept. of Natural Resources (DNR) said, "The bill helps

manage draining systems for growing areas."

Under the bill, drainage authorities must petition the DNR for permission to drain system projects that affect public waters. Sen. Charles Berg (R-Chokio) said the bill's requirement that the DNR be consulted before repairs are made to ditches hurts farmers. "If farmers have to go to the DNR every time they repair a ditch, there will be tremendous crop loss while they wait for the DNR to do something." Sen. Dennis Frederickson (R-New Ulm) said farmers often need to make emergency repairs to ditches to prevent their crops from being flooded. "Asking farmers to petition the DNR is like telling store owners to petition the fire marshall when there is a fire in the back of the store," he said.

Lokkesmoe said the DNR does not need to review most repairs made to ditches, because their impact on public waters is small. On the other hand, he said, the DNR is concerned about repairs to very old ditches that require major work. The committee amended the bill to eliminate the requirement that repairs to ditches need DNR approval. The members re-referred the bill to the Tax Committee.

The committee also approved S.F. 2738, authored by Sen. Leonard Price (DFL-Woodbury). The bill makes several technical and clarifying changes to DNR fiscal policy. Price said the changes are needed to bring the law into agreement with current practices. The bill was re-referred to the Finance Committee.

Environment and Agriculture Budget Division

WIF changes okayed

Members of the Environment and Agriculture Budget Division, chaired by Sen. Leonard Price (DFL-Woodbury), met Mon., Mar. 4, to discuss several bills, including a bill that changes several provisions in the Wastewater Infrastructure Funding program (WIF). Sen. Dennis Frederickson (R-New Ulm) carried S.F. 3177, a bill that establishes a wastewater infrastructure fund, creates a priority list for WIF projects, and changes WIF assistance for non-rural development programs from grants to interest free loans. Frederickson said the bill changes the basis of WIF assistance from a formula based on median income to a calculation based on

the assessed property value. Minnesota Public Facilities Director Terry Kuhlman said the change to assessed property values is the result of the availability of more accurate real estate data rather than outdated census information. Kuhlman added only five cities are affected by the change. Areas with rapid growth will be eliminated from consideration for sewer improvements, he said, because in those cases, developers should absorb those costs. The bill was recommended to pass and re-referred to the Finance Committee.

A bill that designates 102,315 acres of consolidated conservation lands as wildlife management areas was carried by Sen. Roger D. Moe (DFL-Erskine). Included in the bill, Moe said, are provisions that establish deer hunting and all-terrain vehicle (ATV) operating times. Moe said payments-in-lieu-of-tax will increase for 4 counties from \$.44 per acre to \$3.54 per acre for the lands. The total estimated cost to the state is \$344,000 in FY 04, he said. Amendments relating to payment distribution within counties and ATV use were adopted. The bill was recommended to pass and sent to the Finance Committee.

S.F. 2594 is a bill that creates energy for rural citizens, according to bill author, Sen. Dan Stevens (R-Mora). The bill consolidates three programs—a sustainable agriculture loan program, a methane digester program, and a revolving fund—within the Department of Agriculture. Stevens said the programs require no new funding. The bill was recommended to pass and sent to the Finance Committee.

Sen. Anthony “Tony” Kinkel (DFL-Park Rapids) sponsored S.F. 2933, a bill that allows manufacturers to install certain individual sewage treatment systems with appropriate documentation and requires manufacturers to reimburse the Pollution Control Agency (MPCA) for review services for the submitted documentation. Kinkel said the cost to MPCA for review services is about \$4,000. The bill was recommended to pass and sent to the Finance Committee.

Small business owners who removed tanks and missed the deadlines for petrofund reimbursement are now eligible to receive those funds under a bill carried by Sen. David Tomassoni (DFL-Chisholm). Petrofund representative James Pearson said the provision in S.F. 3054 is paid for by a fee paid by the petroleum industry that “blinks-on” any time the fund

balance falls below a certain point. The bill was recommended to pass and sent to the Finance Committee.

Sen. Jane Krentz (DFL-May Township) carried S.F. 2674, the Department of Natural Resources (DNR) game and fish bill. Provisions include creating a lottery hunt for prairie chickens and modifying turtle sellers licensing requirements. Price said he wished to delete the prairie chicken hunt because the state would lose money on something with limited value. DNR official Tim Bremicker said the department was willing to take the loss of the prairie chicken hunt and thought many Minnesotans would enjoy the opportunity. A compromise was reached when Sen. Douglas Johnson (DFL-Tower) moved to raise the application fee for the prairie chicken hunt from \$3 to \$4, thus covering the costs of the program. The motion was adopted. Johnson proposed an amendment that makes it illegal to shine artificial lights for hunting purposes near land containing cattle that is marked with signs prohibiting the shining of lights. The amendment was adopted. Johnson also offered an amendment that prohibits motorized duck decoys on lakes. Bremicker said 30 to 40 percent of hunters use the motorized decoys and many feel they are effective. The amendment was adopted. Three Krentz amendments were adopted, one excluding certain birds from language to avoid conflict with federal statutes and two others regulating the use of pesticides to control aquatic plant growth. Sen. Charles Berg (R-Chokio) proposed an amendment that allows a turtle seller’s licensee to transfer a turtle seller’s license to a turtle seller’s apprentice. DNR representatives estimated there were only 10 turtle sellers in the state who have apprentices. The amendment was withdrawn. Berg proposed another amendment that allows hunters hired in a deer management control plan to use firearm silencers. DNR representatives said silencers are currently totally prohibited in Minnesota for any reason and the use of silencers may cause a safety hazard because people won’t avoid areas targeted for deer culling because of gunshots. Berg withdrew the amendment. The bill was approved as amended and sent to the Finance Committee.

The DNR policy bill, S.F. 2738, was carried by Price. DNR official Peggy Adelman explained the provisions in the bill, which include crediting funds from

leased space in DNR buildings appropriately for building maintenance, establishing grant authority for aquatic plant restoration, and amending the 2001 appropriation bill to redirect park acquisition funds to the general state park operations budget. An amendment, related to allocations for the Big Bog and Red River Recreation Areas, was adopted. The bill was recommended to pass and sent to the Finance Committee. Price also spoke on behalf of S.F. 3352, a bill that incorporates new drycleaning solvent definitions into law to ensure all drycleaners can participate in the drycleaner clean-up fund. A representative from the Minnesota Cleaners Association said there is a need to include users of the previously undefined solvents in the current registration and fee structure to keep the fund successful. The bill was approved and re-referred to the Finance Committee.

Sen. LeRoy Stumpf (DFL-Thief River Falls) carried S.F. 3010, a bill that appropriates money for maintenance, monitoring and enforcement related to recreational motor vehicle use. An amendment was adopted that increases the amount appropriated from three accounts in the DNR’s natural resources fund to \$900,000. DNR officials explained the money is to hire more maintenance workers who would also serve a role in enforcement. Price said he was unsure how maintenance workers would adequately be able to serve both roles. DNR officials said the idea was to increase the visibility of employees on the trails to deter illegal activity. Krentz and Price offered amendments that increase the total appropriation from the natural resources fund to \$1.215 million to hire additional staff exclusively for enforcement activity. The bill was recommended to pass and sent to the Finance Committee.

Health, Human Services and Corrections Budget Division

MFIP moratorium discussed

Members of the Health, Human Services and Corrections Budget Division, chaired by Sen. Linda Berglin (DFL-Mpls.), met Wed., Feb. 6, to hear a bill establishing a moratorium on the 60-month time limit for eligibility to receive Minnesota Family Investment Plan (MFIP) assistance.

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S.F. 2918, carried by Berglin, also expands those eligible to receive hardship extensions to include individuals designated as hard to employ because they are victims of family violence and are participating in an alternative employment plan. The bill also expands those eligible to receive hardship extensions to individuals who are employed if they belong to an assistance unit, work less than 30 hours per week and are limited in the number of hours they may work because of an illness or disability. The measure gives the extension to individuals receiving Temporary Assistance to Needy Families (TANF) funds under certain conditions as well.

Jennifer Scone, from the East Suburban Resource Center in Stillwater, testified in support of the bill. She said the center, which provides employment services mainly to mothers in their mid 20s, has been able to place only one individual into a job since the terrorist attacks in September. She also said she has discovered that many businesses do not have openings for employment now. As an example, she said one company that had nearly 120 job openings several months ago now has under 20. It is difficult, she said, for people to find jobs in the current environment.

Berglin said she believes the Stillwater center is representative of conditions throughout the state. The center is working with clients who are employable, she said, but employment opportunities are dwindling.

"This is a sample of a large group of people who are waiting to work, but work is not available for them," she said.

Sen. Dan Stevens (R-Mora) said the economy was suffering before Sept. 11 and that economies go into recession, but also recover. Stevens also said the 60-month time limit to receive assistance didn't appear unexpectedly; people have known it was approaching for a long time. He said a moratorium can't be fully funded, and the time limit must be implemented.

"I think some people didn't believe there would be this time limit and that it would be enforced," he said.

Berglin said many individuals have been receiving MFIP assistance while working at the same time, but have so far been unable to leave the program because their jobs don't pay enough. She said many in areas such as the hospitality industry have lost their jobs or had their hours

reduced since September. Now is not the time to eliminate their assistance, she said.

The contents of the bill were approved—along with a provision specifying that the moratorium applies only to participants who are not in sanction status in their 60th month of receiving assistance—and amended into S.F. 3099, the division's omnibus bill.

Sen. John Hottinger (DFL-Mankato) presented S.F. 2669. The bill, also called the Minnesota Emergency Health Powers Act, arose because of and is designed to deal with potential bioterrorism concerns. The measure clarifies the process and outlines the criteria for declaring a public health emergency and provides a list of the powers and duties of the governor in a declared emergency.

The committee adopted an amendment to eliminate the biological agents registry from the bill. The registry was to record all individuals and entities in the state that possess or maintain a biological agent that is required to be reported. In order to reduce expenditures, the committee also voted to eliminate funding for terrorism preparedness. The bill was approved and referred to the Finance Committee.

Sen. Sheila Kiscaden (R-Rochester) carried S.F. 3155, which allows dentists, dental hygienists or dental assistants currently practicing in North Dakota, South Dakota, Iowa or Wisconsin to obtain guest licensure or registration for practice in Minnesota. The bill requires those granted a guest license or registration to practice in a public health setting established by a nonprofit organization designed to provide dental care to those who have difficulty accessing dental care. The measure also requires those obtaining guest status to practice in a single, specific location. Kiscaden offered an amendment that appropriates \$3,000 to the Board of Dentistry for implementation. The amendment was adopted. The bill was approved and referred to the Finance Committee.

Sen. Steve Murphy (DFL-Red Wing) authored S.F. 2840. The bill establishes a new payment rate for a long-term polio patient at a hospital in Zumbrota. The measure specifies that the new rate is equal to 300 percent of the statewide average nursing facility rate for case-mix level K.

According to testimony, the patient is wheelchair bound and has lived at the hospital for 45 years. Murphy said there is

not another hospital in the area where the patient can stay. He also said the bill helps the hospital meet its monetary needs.

"If this is adjusted they no longer will have to worry from day to day if they can pay the bills," he said. Berglin said there was no money available to make the adjustment. No action was taken on the bill.

S.F. 2622 was carried by Kiscaden. The bill creates a volunteer health care provider program under the Department of Health to facilitate the provision of health care services on a volunteer basis through eligible health care facilities and organizations. The bill also specifies that a health care provider who furnishes free health care services under the program is an employee of the state for tort liability purposes.

According to Kiscaden, the bill comes from a request by those in the provider community so they don't feel at risk when volunteering their services. She said the Attorney General's Office will defend any suits brought forward. As for the fiscal implications of the bill, Kiscaden said the office is unlikely to incur any costs in the next biennium, so she suggested not funding the program directly. Instead, she said the office should request supplemental funding if the need arises.

Chris Messerly, from the Minnesota Trial Lawyers Association, spoke in opposition to the bill. He said the bill deprives people of their rights. He said the measure limits damages that may be awarded because there is a cap on the amount state employees may be liable for. Messerly also said the bill creates special treatment for a certain group of professionals. If health care providers are awarded state employee status for volunteer work, he said, other professional organizations will want the same status when they perform volunteer services too.

Ken Peterson, from the Office of the Attorney General, also spoke against the bill. He said he agrees with its objective, but opposes its present form. There are cost concerns, he said, and the bill assumes away all possible problems by relying on no lawsuits to be brought forward. He said that is not a responsible way to budget.

Kiscaden said there is not a lot of risk involved in running a volunteer clinic. There are no surgeries performed, no detailed diagnostic work, she said, and the most complicated cases will be referred elsewhere. She said the Rochester Salva-

tion Army simply sets up a clinic in a normal office with very little technology. She also said a similar program in Florida, with over 6,000 participants, has had no claims paid since its existence.

"How much risk is there really? I really don't see that as high risk," she said.

Kiscaden offered an amendment that establishes the program under the administrative services unit of the Health Related Licensing Board instead of the Health Department. The amendment is designed to shift the burden of administration of the program from the Department of Health and to save costs involved in starting the program. The amendment was adopted. The bill was approved and referred to the Finance Committee.

Berglin authored S.F. 3397, which provides up to \$1.4 million in FY 2003 to the Veterans Nursing Homes Board for deficiency funding. According to the bill, the money for the appropriation comes from the general fund, the capital asset preservation and replacement fund (CAPRA) and any additional payments from contractors in 2003 to settle legal issues regarding mold damage.

Steve Busser, with the Veterans Homes Nursing Board, spoke in support of the bill. He said the money is needed to maintain beds and staffing.

Heidi Myers, with the Minnesota Department of Administration, spoke against the appropriation. She said the department didn't think it was appropriate to use money from CAPRA for the deficiency appropriation. Berglin offered an amendment to change the appropriation from up to \$1.4 million to up to \$900,000. The amendment was adopted. The bill was approved and referred to the Finance Committee.

Sen. Dan Stevens (R-Mora) carried S.F. 2569, which specifies that refunds or rebates of federal sales taxes may not be considered a means of support regarding eligibility requirements for admission to the Minnesota Veterans Nursing Homes. Current law specifies only refunds or rebates of state sales taxes may not be considered a means of support. Stevens also amended the bill to include only "rebates," and not "refunds." The amendment was adopted. The bill was approved and referred to the Finance Committee.

Sen. Jim Vickerman (DFL-Tracy) authored S.F. 2793. The bill requires the development of a plan to allow Medical Assistance (MA) to reimburse counties for

children's mental health residential treatment services provided in Iowa, North Dakota, South Dakota and Wisconsin. The bill was approved and referred to the Finance Committee.

Sen. Dallas Sams (DFL-Staples) presented S.F. 3119, which enables individuals in Minnesota's bordering states to receive appropriate treatment in Minnesota and individuals in Minnesota to receive appropriate care across state lines in qualified facilities that are closer to their homes than are facilities available in their home state. The bill also restricts prior authorization requirements for certain drugs. The contents of the bill were approved and amended into S.F. 3099.

S.F. 2811 was carried by Kiscaden. The bill creates a donated dental services program. Under the bill, the program must establish a network of volunteer dentists, establish a system to refer eligible individuals to the appropriate dentists and develop and implement a public awareness program campaign to educate eligible individuals about the program. Kiscaden offered an amendment that appropriates \$75,000 from the state government special revenue fund to the Board of Dentistry to implement the program. The bill was approved and referred to the Finance Committee.

Berglin carried S.F. 3099, which is to become the division's omnibus bill. The bill makes a number of changes affecting mental health programs, pre-admission screening, the personal care assistant program, alternative care, the elderly waiver, the region 10 quality assurance project and the nursing facility planned closure rate adjustment. A number of technical amendments were added to the measure, and the bill was approved and referred to the Finance Committee.

Members also approved a list of budget adjustments to H.F. 351, the 2002-03 budget bill, as well as several fiscal note adjustments. The adjustments were amended into S.F. 3099.

Jobs, Housing and Economic Development

DTED, DES merger okayed

A bill that abolishes the Dept. of Trade and Economic Development (DTED) and the Dept. of Economic Security (DES) was approved by the Committee on Jobs, Housing and Eco-

nomics Development, when the group assembled Fri., Mar. 1.

The elimination of the two departments and the creation of a new Dept. of Workforce and Economic Development (DWED), as outlined in the measure, provide for more strategic workforce and business policy by unifying all related efforts under a single department, said Committee Chair Ellen Anderson (DFL-St. Paul), author of S.F. 3072. Under the measure, the reorganization takes effect July 1, 2003.

The bill also establishes the Minnesota Economic and Leadership Team (MELT), a 17-member body that develops and updates a vision of the state's economy through review of regional economic data, monitoring of workforce trends and development of performance targets. S.F. 3072 specifies that MELT participants, appointed by the governor with approval by the Senate, include members of statewide business groups, educational institutions, labor unions, nonprofit organizations, regional leadership and under-represented communities.

Several testifiers voiced concerns about the interference of the state in private sector economy. "When have we ever seen a need for the government to run the economy," asked David Thompson from the Maple River Education Coalition. "We are creating a board that oversees much of what goes on in the state and oversees what used to be exclusively in the domain of private business. The economy and workforce have done extremely well in this state and they have done so without MELT," he said.

"MELT assembles people in leadership positions to attend to marketplace needs and to represent to the government what is happening in the market place, not determine it," said Rebecca Yanisch, DTED commissioner.

Sen. Michele Bachmann (R-Stillwater) said the bill seems to do a lot more than create a merely advisory position for MELT. She said MELT writes goals for the state's economy and has authority over policy implementation.

"The reorganization bill includes no transfer of legislative or gubernatorial power," said Morrie Anderson, chair of the transition team, whose recommendations are the basis for the reorganization. MELT,

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he said, has only a limited advisory role and may not allot funding.

Many members of the state's blind community expressed apprehension over the bill's reorganization of the State Services for the Blind (SSB). The measure places SSB under the authority of the DWED.

Shelly Nelson, member of the Rehabilitation Council for the Blind, said, "We need more autonomy. Services for blind people are very unique and different from those for other disabled people." She said currently 75 percent of funding for blind programming is spent on 25 percent of blind services. Funding priorities, she said, are given to job programs even though the majority of SSB clients are retired, elderly people. The present focus on employment programs will only be exaggerated by the SSB's relocation to a

department exclusively for economic and workforce development, she said.

Charlene Childrey, a careers instructor with BLIND, Inc., said people who are blind need much more than job skills. For example, she said, she had worked with a blind man who wanted to be able to tie fishing lures so he could teach his grandchildren how to fish.

The committee considered four amendments addressing SSB's relocation. The first placed the SSB under the Dept. of Administration. The second required the Rehabilitation Advisory Council to hold public meetings and submit a proposal about SSB's reorganization to the Legislature.

An 11-member council to advise the deputy commissioner of SSB, under the DWED, on the divisions policies is created by the third amendment. The final

amendment, recommended by Yanisch, requires the DWED commissioner to form a charter with the assistant commissioner of SSB and the Rehabilitation Advisory Council.

The fourth amendment, which the committee adopted, states that the charter must institute a clearly defined mission, four-year strategic plan, set of key performance indicators and an annual operating plan. Members amended the amendment to require the charter negotiations to include substantial input from blind and visually handicapped individuals.

Under the amendment, SSB must operate autonomously as a division of DWED under management of an assistant commissioner but subject to the authority of the DWED commissioner. The committee referred the bill to the Finance Committee.



"The Clothesline Project," a memorial to women and children who die each year from domestic violence and child abuse in Minnesota, was displayed in the Great Hall of the Capitol Fri., Mar. 1, as part of Action Day to End Violence Against Women.

Photo by Shelley Hawes

Judiciary

Employer liability discussed

Members of the Judiciary Committee, chaired by Sen. John Marty (DFL-Roseville), met Thurs., Feb. 28, to discuss a bill granting liability immunity to certain health care providers when providing employee reference checks to prospective employers.

S.F. 3085, carried by Sen. John Hottinger (DFL-Mankato), allows disclosing to a prospective employer, without liability concerns, information regarding a current or former employee dealing with the dates of employment, compensation and wage history, job description and duties, training and education received and all acts of violence, theft, harassment, or illegal conduct of the employee documented in the personnel record that resulted in disciplinary action or resignation. Hottinger said the bill facilitates the exchange of information between an employer and a potential employer. Jeffrey Bangsberg, from the Minnesota Home Care Association, said the bill gives more comfort to employers when providing employee references. Many employers won't give much relevant information, he said, for fear of being sued.

Sen. Sheila Kiscaden (R-Rochester), said she was concerned with the phrase "illegal conduct" used in the bill. She said there are other kinds of conduct that might not necessarily be illegal, but that prospective employers might want to know about. She offered an amendment to strike the word "illegal" and to instead allow employers to disclose conduct that placed patients or residents at risk.

Hottinger said that although he did not necessarily oppose the amendment, any conduct other than "illegal" may be difficult to define for law. Illegal conduct, he said, has a context with boundaries that can be defined. He said other kinds of conduct are more open to subjectivity.

Kiscaden gave an example she had heard in which a residential group home employee who left a van full of residents in the parking lot of a store while leaving to shop. She said that conduct wasn't illegal, but it placed the residents at risk. A prospective employer, she said, might want to know about such an incident if a potential employee is applying for a job as a driver.

Sen. Jane Ranum (DFL-Mpls.) said there may be times when an employee is not totally at fault for making a mistake.

She said employees might be put in a situation where they can't succeed or they might make an error because there is a shortage of staff, too much work or the employer uses bad judgement. She doesn't want, she said, employees to be punished in such cases.

Joel Carlson, from the Minnesota Trial Lawyers Association, said the phrase "illegal conduct" should remain in the bill in order for employers to know what may be divulged. He also said that illegal conduct includes vulnerable people being placed at risk in violation of rules. The rules, he said, cover such cases. Hottinger also said that under the Vulnerable Adults Act, the example given by Kiscaden—although not rising to the level of a criminal offense—is illegal. Kiscaden withdrew her amendment. The bill was approved and sent to the Senate floor.

Sen. Steve Dille (R-Dassel) authored S.F. 1653. The bill gives nonprofit corporations that provide services to those with mental retardation or related conditions the same liability limits as received by municipalities. In effect, the bill limits the amount for which a nonprofit corporation is liable, although the bill does not apply if the conduct was intentional or the result of gross negligence.

Dille said in the last several years, various providers have experienced insurance rate increases of between 25 and 250 percent, despite no history of claims. Dille said the bill is designed to control the cost of liability insurance and to decrease the cost of providing services for nonprofits. Mary Regan, executive director of the Minnesota Council of Child Caring Agencies, said insurance rates are increasing and policies are difficult to obtain.

"Everyone is struggling with trying to find insurance coverage," she said.

Carlson, testifying again, said there are no indications the bill will reduce liability and insurance rates. Daniel O'Fallon, also from the Minnesota Trial Lawyers Association, said the bill hurts vulnerable people. Passing the bill, he said, will prevent the injured from receiving compensation for their loss, and will put the burden instead on their families and eventually on the government. He said the bill gives institutions a price cut, but prevents injured people and their families from recovering appropriate damages. He also said the bill won't have a great effect on reducing costs.

Responding, Dille said many times nonprofits do work that government homes do. He said it is appropriate for nonprofits to be able to receive the same liability coverage as government institutions. Kiscaden agreed saying it seemed logical for nonprofits to receive the same liability as government institutions.

Carlson said nonprofit institutions don't serve only county referrals. He said that although they have many such referrals, they shouldn't be extended the same coverage just because they perform some of the same services as government institutions. O'Fallon again said the bill reduces the remedies that injured people have, and asked why they should have their remedies limited, especially when it is unknown whether the nonprofits will receive any benefit from it.

Kiscaden said that the majority of those at any institution are on Medical Assistance (MA). In the case of an injury to those individuals, she said, Medical Assistance pays for it anyway. Also, she said the bill is for injuries that occur in the proper running of a facility, and does not deal with injuries due to negligence. The bill, she said, doesn't absolve the provider if proper care is not being given. The bill was not approved.

S.F. 1443, carried by Sen. Deanna Wiener (DFL-Eagan), specifies that a swimming pool at a family day care or group family day care home is not considered a public pool and is exempt from the requirements for public pools in current law. The bill also lists 21 requirements a provider must meet before allowing children to use the pool. The measure also provides immunity for municipalities unless there was knowledge of the provider's failure to meet licensing standards that resulted in a dangerous condition.

Elaine Greer, a child care provider from Eagan, testified in support of the bill. She said she's been using a pool for 25 years, but 2 years ago was told to stop using it by the county because it was classified as a public pool. She said her clients support her being able to use it.

Sen. Thomas Neville (R-Northfield) said the bill creates liability by including 21 requirements—such as a diving prohibition and a "rough play" and "pushing" prohibition.

Kiscaden said some of the requirements are specifically stated to be for day care while others do not, creating a

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standard for day care time and non-day care time. She offered an amendment specifying that of the 21 requirements, those dealing with the presence of a care giver trained in first aid, the pH content of the water, diving, rough play, a safety rope dividing the deep and shallow ends and water temperature only apply during day care hours of operation and are not required at other times. Neuville asked why the amendment limits the requirements that don't apply to times outside of daycare operation. Kiscaden said other requirements are health-related but that the pool must be managed all the time to prevent diseases. The amendment was adopted.

Sen. Dan Betzold (DFL-Fridley) offered an amendment to prevent any "person" who has an open wound or is suspected of having a communicable disease from entering the pool as opposed to any "child." He said for health purpose all such people must be kept out, not just children. The amendment was adopted.

Neuville offered an amendment to delete the requirements prohibiting diving, pushing and rough play in the swimming pool area. He said the previous requirement, which calls for having in place and enforcing written safety rules and swimming pool policies, deals with that concern. He also said he doesn't want to increase the liability of daycare providers. The amendment was adopted. The bill was approved and sent to the Senate floor.

Wiener also carried S.F. 2827, which provides for the registration of agents of student athletes. The bill prohibits an individual from acting as an athlete's agent in Minnesota without being registered, provides standards and prohibited conduct for an agent, prescribes the contents of an agency contract and requires both the agent and the athlete to give notice of the contract within 72 hours after signing or before the next game, whichever is earlier. The bill also gives the student the right to void the contract within 14 days after it is signed, gives the educational institution a private right of action against a student athlete or an agent for damages and sets penalties for agents for violations. The bill was approved and re-referred to the Finance Committee.

Sen. Don Samuelson (DFL-Brainerd) presented S.F. 2957, which requires various individuals and entities to report violations committed by dentists, dental hygienists, dental assistants and applicants

for licensure to the Board of Dentistry. The bill also provides immunity to those who report or cooperate with the board. The bill was approved and sent to the Senate floor.

S.F. 2540 was authored by Betzold. The bill makes various changes to probate property succession, power of appointment and trust provisions in current law. The bill was approved and sent to the Senate floor.

Sen. David Knutson (R-Burnsville) presented S.F. 3380, which deals with marital agreements. The bill specifies that a postnuptial contract is presumed to be unenforceable if either party commences an action for a legal separation or dissolution within two years of the date of its execution, unless the spouse seeking to enforce the contract can establish that the agreement is fair and equitable. The bill was approved and sent to the Senate floor.

Knutson also carried S.F. 3373. The bill expands provisions in current law requiring public employees and officers to report certain unlawful actions. The bill specifies that it is not a violation to provide data, including data classified as not public, to the state auditor or to law enforcement, for law enforcement purposes. Betzold offered an amendment, which was adopted, stating that private personnel or confidential data on employees may be circulated to a law enforcement agency to report a crime by the employee or to assist in the investigation of a crime committed by an employee. The bill was approved and sent to the Senate floor.

Sen. David Johnson (DFL-Bloomington) offered S.F. 3286, which deals with adoption and paternity actions. The bill requires the registered putative father to serve notice of a paternity action on the interested party who notified him of the adoption proceeding. The measure also specifies that no adoption may be finalized until the paternity action timely notice is completed. The bill was approved and sent to the Senate floor.

Neuville carried S.F. 2541, which modifies miscellaneous real property conveyance and document recording provisions. The bill was approved and sent to the Senate floor.

S.F. 2673 was authored by Sen. Richard Cohen (DFL-St. Paul). The bill establishes a process under which a de facto custodian or interested third party may seek custody of a child. The measure also specifies procedures and standards the

court must consider in such proceedings. The bill was approved and sent to the Senate floor.

Rules and Administration

Campaign reform bill okayed

Members of the Rules and Administration Subcommittee on Elections met Mon., Mar. 4, to consider two bills related to campaign finance reform. Both bills were carried by Sen. John Hottinger (DFL-Mankato), subcommittee chair.

The Campaign Finance and Public Disclosure Board (CFPDB) made several recommendations to the Legislature for reforms in the campaign finance regulation system. According to board chair Doug Kelley, Legislators asked the board for suggestions several years ago. S.F. 3384 is a laundry list of the noncontroversial recommendations, he said. Executive Director of the CFPDB Jeanne Olson explained several of the provisions in the bill, including one section releasing candidates from spending limits. She said the provision allows a candidate that fought a tough primary to be released from spending limits for the general election, depending on the conduct of the candidate's primary election opponent. However, the candidate's opponents in the general election can be released if the candidate is released, Olson said. Candidates will still be eligible for public subsidies, she said.

Sen. John Marty (DFL-Roseville) offered an amendment reinstating criminal penalties for some activities violating campaign finance law. Kelley and Olson said the board has found that many violations are not being prosecuted because county attorneys—who handle the investigations and prosecutions, if any—are often reluctant to pursue the complicated matters involved. Also, they noted, most county attorneys do not have a lot of experience with the details of campaign finance laws. Kelley said the law will be more effective if the proposed civil penalties are available to the board. Sen. Mark Ourada (R-Buffalo) said the new approach contained in the bill should be tried, since the old language isn't really being used. Marty said that his amendment does not strike the new civil penalties, but

keeps the current penalties as well. The amendment was adopted.

Marty also offered an amendment addressing the issue of so-called “soft money,” or independent expenditures. Both Ourada and Hottinger spoke against the amendment, saying S.F. 3384 was meant to be a technical, non-controversial bill.

Hottinger said that while he was supportive of the substance of Marty’s amendment, it was important to pass a bill that can be accepted by all parties. Marty’s amendment, he said, will likely kill the bill. The amendment was not adopted.

The other campaign finance bill considered by the panel was S.F. 3056. Hottinger said it contains the more controversial recommendations of the CFPDB. Among provisions in the bill is an expansion of the definition of “campaign expenditure” to include so-called “issue ads.” The bill also changes campaign spending limits and campaign contribution limits to an election cycle matrix, instead of separate limits for each year of the cycle. Further, the bill requires political parties, in order to receive public subsidies, to agree not to make independent expenditures on behalf of their candidates or against their opponents.

Marty offered an amendment eliminating proposed increases in campaign contribution limits for state offices. He said the state was making significant progress in recent years by reducing the limits. Sen. Warren Limmer (R-Maple Grove) said the limits were last changed six years ago. He said the contribution limits need to be raised across the board. Limmer also said the limits are unfair to candidates for secretary of state and state auditor, compared to the limit for candidates for attorney general. The Marty amendment was defeated. An amendment, offered by Limmer, raising the contribution limits for candidates for secretary of state and state auditor to be equal with attorney general candidates was adopted.

S.F. 3384, the non-controversial board recommendations, was approved and advanced the full committee. The motion to approve S.F. 3056 failed on a voice vote.

Elections bills gain

The Rules and Administration Committee met Mon., Mar. 4, in order to take action on two bills relating to elections.

S.F. 3384, sponsored by Sen. John Hottinger (DFL-Mankato), makes numerous technical changes in campaign finance and public disclosure laws. Hottinger said the bill is the product of suggestions made by the Campaign Finance and Public Disclosure Board. He also said that the most substantive change is decriminalizing the penalties for violations and making the penalties civil fines rather than gross misdemeanors. However, Hottinger did offer an amendment making some of the more serious violations gross misdemeanors. The amendment was adopted.

Board member Allan Spear said the decriminalization of penalties was suggested in order to make it easier to recruit individuals to serve as campaign treasurers. The bill was approved and advanced to the Senate floor.

Members also debated a bill, S.F. 388, making numerous substantive changes to campaign finance procedures. Titled “The Fair and Clean Elections Bill,” Hottinger said the measure provides a new system for financing elections. “Essentially, the bill provides public financing,” Hottinger said.

The measure increases disclosure requirements, limits campaign contributions and expenditures and increases public subsidies for campaigns, Hottinger said.

The committee, chaired by Sen. Roger D. Moe (DFL-Erskine), adopted five amendments suggested by Hottinger. The first changes the subsidy amounts for legislative races, specifies the date by which campaign finance reports for the election cycle ending Dec. 31, 2002 are due and delays the effective date until Jan. 1, 2003. The second amendment makes three provisions of the bill effective for the current campaign cycle. The third amendment clarifies the statutory references. Most of the penalties in the bill are civil fines, but the fourth amendment provides criminal penalties for more serious violations. Finally, the fifth amendment alters some of the campaign contribution limits.

Sen. John Marty (DFL-Roseville) offered an amendment providing criminal penalties for two additional violations. The amendment was adopted.

The bill was approved on a 9-6 roll call vote and re-referred to the Finance Committee.

State and Local Government Operations

MAC bill debated

The State and Local Government Operations Committee, chaired by Sen. Jim Vickerman (DFL-Tracy), met Thurs., Feb. 28, to hear testimony regarding a number of bills, including one that requires the Metropolitan Airports Commission (MAC) to submit its proposed budget to the chair of the Legislative Commission on Metropolitan Government. The committee adopted an amendment that reduces the amount of state government oversight of MAC. Sponsor of S.F. 2682, Sen. Douglas Johnson (DFL-Tower), said the bill allows the commission to make budget recommendations back to MAC. An additional amendment was proposed that required all members of the legislative commission to be from the seven-county Metro Area and include two members from each body who represent districts impacted by airport noise from the Minneapolis-St. Paul Airport (MSP). Sen. Ann Rest (DFL-New Hope) said she had serious reservations about the bill because she wasn’t sure if the legislative commission should be taking on this responsibility. Rest said she believed a more effective approach would be for MAC to report to the Legislative Audit Commission, which already exists.

Sen. Myron Orfield (DFL-Mpls.) said he supported the amendment because he felt there must be some governmental oversight of the large, fee-based organization. However, the ideal situation, Orfield said, would be to have a fully elected MAC. Sen. Martha Robertson (R-Minnetonka) said her problem with the bill is that the commission is limited to offering a recommendation to MAC, which could simply be ignored. Sen. David Johnson (DFL-Bloomington) said the amended bill is a reasonable compromise because the original version called for MAC to become part of the Department of Transportation (MnDOT). Representatives from Northwest Airlines and Champion Air spoke in support of the bill.

MAC Executive Director Jeff Hamiel said that MSP is a very successful, globally-recognized airport that has also been successful in balancing the competing interests of airlines, travelers, and regulators. Hamiel said MAC already has plenty

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Chippewa Middle School students, Jo Jackson, right, and Alex Wrobel present their winning entry into the National Engineers Week Future City Competition during a press conference in the State Office Building Tue., Mar. 5. The national champions were awarded a future trip to U.S. Space Camp in Huntsville, Ala., and laptop computers. Photo by Shelley Hawes

of oversight. David Johnson said he believed MAC is backing away from a 1996 noise mitigation agreement, but Hamiel replied that he felt MAC's noise mitigation program is appropriate. Two labor representatives said they were no longer opposed to the amended bill. The proposed amendment was withdrawn, and the motion to recommend the bill to pass failed.

Sen. Jane Ranum (DFL-Mpls.) carried S.F. 2611, a bill that creates a new interstate compact for adult offender supervision. Ranum said the existing compact, created in 1937, doesn't meet modern needs. The provision relevant to the committee, said Ranum, is the creation of a state council that will appoint a commissioner to serve as the representative on the interstate commission. "Thirty-five states have already ratified similar proposals," Ranum said, "The central question is whether Minnesota wants to be at the table of an interstate compact."

The bill was recommended to pass and sent to the floor.

Sen. Steve Kelley (DFL-Hopkins) carried S.F. 3028, a bill that creates the Minnesota Commission on National and Community Service and makes the commission semi-independent from the Department of Children, Families, and Learning (CFL). "The extra independence will make the commission more entrepreneurial," Kelley said. The new commission will also serve as the Minnesota office for the national public service program, AmeriCorps. The new structure allows Minnesota to obtain its fair share of competitive federal funding dollars, Kelley said. The bill was recommended to pass and sent to the floor. Another Kelley bill, S.F. 3288, that extends a successful arbitration provision governing firefighters until 2006 was also approved by the committee, and recommended for placement on the Consent Calendar.

Sen. Dean Johnson (DFL-Willmar) carried S.F. 2984, the omnibus retirement bill. Lawrence Martin, executive director of the Legislative Commission on Pensions and Retirement explained the major

provisions of the bill, which include reversing changes to Public Employees Retirement Association regulations; mandating retirement coverage for all charter school teachers; authorizing employee leave time as funding for a supplemental pension plan; and authorizing a study of a voluntary statewide volunteer fire retirement plan. Three amendments were adopted, one technical, one that allows a single individual to rescind his retirement application in order to receive disability coverage, and another that factors inflation into the supplemental administrative expenses for the Minneapolis Teachers Retirement Fund.

Sen. David Knutson (R-Burnsville) carried S.F. 2890, a bill that nullifies clauses in public works contracts that preclude contractors from seeking costs or damages for delays. The bill was recommended to pass and to be placed on the Consent Calendar. Sen. Michele Bachmann (R-Stillwater) carried S.F. 1376, a bill that requires a new election in a city any time an entire township is

annexed into a single city, regardless of how the annexation process was initiated. Kent Sulem from the Minnesota Association of Townships said the bill arose from a situation in Forest Lake when township citizens annexed into the city found themselves shut out of the political process.

The bill was recommended to pass and sent to the floor.

A bill that clarifies that mutually agreed-upon annexations are binding was carried by Sen. David Tomassoni (DFL-Chisholm). An amendment that establishes an immediate effective date was adopted. The bill was recommended to pass and sent to the floor.

Orfield carried S.F. 3322, a bill pertaining to the Metropolitan Council. The only significant provisions, according to Orfield, are that the Met Council is authorized to sell unused service capacity and changes in the depreciation rates for wastewater treatment facilities. The bill was recommended to pass and be placed on the Consent Calendar.

Sen. Twyla Ring (DFL-North Branch) carried S.F. 2695, a bill that allows counties to seek land set asides for parks, wetlands, trails or open space from planned subdivisions. Developers may pay cash into a park fund in lieu of a land set-aside, Ring said.

She added that the bill allows a practice most counties thought was legal until recently. An amendment that prevents counties and towns from both seeking park land dedications from the same subdivision was adopted.

Chris Karpan, attorney for Douglas County, said counties are seeking the same legal authorization as the cities and towns to create public areas. "Developers will claim this will raise the cost of homes. It is only fair that new homeowners who move in and demand parks should shoulder the burden of the costs for green space," Karpan said.

Sen. Dan Stevens (R-Mora) said he was adamantly opposed to the bill. "We simply can't take private property for public use without compensation." Attorney Chris Dietson said the bill is constitutionally flawed because it doesn't indicate if parkland is directly related to the project where land is being sought or if the parkland is roughly related in size to the project.

The bill was laid over.

State Government, Economic Development, and the Judiciary Budget Division

Veterans home funding discussed

The State Government, Economic Development, and the Judiciary Budget Division, chaired by Sen. Richard Cohen (DFL-St. Paul), met Wed., Mar. 6, to discuss a number of bills, including one that seeks to assist veterans nursing homes. S.F. 3397 transfers unspent funds of \$351,000 related to the Minnesota Veterans Board (MVB) in the capital asset preservation and replacement fund (CAPRA) to the MVB to cover an operating budget deficiency. "These veteran homes already have waiting lists," said bill author Sen. Linda Berglin (DFL-Mpls.), "without a supplemental appropriation, they will be forced to close beds left and right." Berglin said the bill will be amended in the Health, Human Services and Corrections Budget Division to remove an additional appropriation request from the general fund.

Department of Administration official Heidi Myers said the department was concerned because the requested funds were earmarked for CAPRA projects that had previously been delayed or canceled. "We are simply trying to be good stewards of CAPRA funds," she said. In response to department concerns, Sen. Jim Vickerman (DFL-Tracy) said, "Preserving our buildings is important, but we are looking at empty beds. Veterans will have no place to go." The bill was recommended to pass and sent to the Health, Human Services and Corrections Budget Division.

School food service employees are eligible to use earned wage credits for unemployment benefits under a proposal, S.F. 3140, authored by Sen. Twyla Ring (DFL-North Branch). Teamsters representative Don Gerdesmeier said his organization supports the bill because the employers already pay unemployment tax and the bill doesn't add or expand unemployment benefits. The bill was recommended to pass and sent to the Finance Committee. A bill that applies surcharges equally between the two systems of filing real estate titles, abstract or Torrens, was carried by Sen. Steve Kelley (DFL-Hopkins). An amendment was adopted that clarified that the proceeds of the surcharges do not go

directly to the Electronic Real Estate Recording Task Force (ERERTF). S.F. 2707 was approved and sent to the Finance Committee.

Vickerman presented S.F. 3132, a bill that authorizes the Northern Counties Land Use Coordinating Board (NCLUC) to initiate a pilot project to promote cooperation among local, state, and federal government, in addressing land use management issues. An amendment was adopted that ensures reimbursement from NCLUC to the Office of Strategic and Long-Range Planning for any duties performed under the act. The bill was recommended to pass and sent to the Finance Committee.

Sen. James Metzen (DFL-South St. Paul) said S.F. 2392 modernizes and updates language in the emergency 911 telephone statutes, which were originally written in 1975. An amendment that deletes a retroactivity clause in the bill and thus removes any cost to the general fund was adopted. Metzen said the more substantive issues related to the 911 system, such as proposed fee increases, are dealt with in bills in other committees. Cohen expressed concern that the more substantive 911 bills had not received a hearing in either the State and Local Government Committee or the budget division. Metzen agreed to see if the bills could be heard in the division later. The bill was recommended to pass and sent to the Finance Committee.

Cohen presented a bill that he said allows an incumbent governor to present a budget by Jan. 15 to enable Legislators to address the issues earlier in the session. Cohen said S.F. 2859 was in response to a legitimate criticism of the legislature by the governor. The amended bill removes references to moving up the February revenue and expenditure forecasts to February 15. The bill was recommended to pass and sent to the Finance Committee.

Income and Sales Tax Budget Division

City tax bills heard

The Income and Sales Tax Budget Division, chaired by Sen. Don Betzold (DFL-Fridley) met Wed., Mar. 6, to hear several bills proposing a variety of increases in sales taxes in various cities in order to fund municipal projects. No action was taken on any of the bills.

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Instead, the measures will be considered for inclusion in a division bill.

S.F. 3287, authored by Sen. William Belanger (R-Bloomington), increases the lodging tax in the city of Bloomington by 1 percent. S.F. 3338, carried by Sen. Sheila Kiscaden (R-Rochester), increases the lodging tax in Rochester by 2 percent.

S.F. 3042, sponsored by Sen. Douglas Johnson (DFL-Tower), authorizes the imposition of an additional sales tax and bonding for the city of Ely. S.F. 134, authored by Sen. Becky Lourey (DFL-Kerrick), authorizes the city of Cloquet to impose an additional sales tax. S.F. 135, also carried by Lourey, provides similar authority to the city of Hermantown.

S.F. 3387, sponsored by Sen. Dick Day (R-Owatonna), authorizes the city of Medford to impose a local sales and use tax of 0.5 percent. S.F. 3348, carried by Sen. Grace Schwab (R-Albert Lea), provides for the city of Albert Lea to impose a local sales and use tax.

Members of the division heard several additional bills relating to sales tax. S.F. 3418, authored by Sen. Steve Kelley (DFL-Hopkins), imposes the sales tax on certain installation charges. Currently, third party installers do not have to pay sales tax, but retailers who provide installation must pay the sales tax.

S.F. 3396, sponsored by Sen. David Tomassoni (DFL-Chisholm), provides a sales tax exemption for energy efficient propane gas furnaces and water heaters. S.F. 802, carried by Sen. Claire Robling (R-Prior Lake), eliminates the cap for payments made to counties under tribal tax agreements.

S.F. 3375, authored by Sen. Ann Rest (DFL-New Hope), clarifies the nexus rules for affiliated companies for purposes of collecting sales tax.

One measure relating to income tax was heard by the division. S.F. 3411, authored by Sen. Dave Kleis (R-St. Cloud), provides for an income tax subtraction for military compensation.

Under the bill, the first \$5,000 of compensation for personal services in the Minnesota National Guard or armed forces reserves, or for active duty in the armed forces of the U.S. or the United Nations, while the person is a resident could be subtracted from taxable income.

Telecommunications, Energy and Utilities

Telecom services fund debated

Members of the Telecommunications, Energy and Utilities Committee, chaired by Sen. James Metzen (DFL-South St. Paul), met Thurs., Feb. 28, to discuss a bill creating a public telecommunications services fund.

S.F. 3205, carried by Sen. Steve Kelley (DFL-Hopkins), creates the public telecommunications fund by imposing a fee of 1 percent of the gross receipts from retail sales of telecommunications services. Under the bill, the telecommunications account is required to fund the learning network of Minnesota—which in the past was funded through the Higher Education Services Office (HESO)—and the telecommunication access revenue program, regional library telecommunication aid and any shortfall in 2003 in the MnLink program. The account also provides grants for a hospital emergency communications network and grants for an emergency response network that enables communication between law enforcement agencies, fire departments, fire stations and hospitals. Kelley said the bill raises approximately \$43 million each year and provides the ability for agencies and entities across the state to connect with each other. He is convinced, he said, that the fund builds essential infrastructure and allows for more efficiency in various state in local agencies.

Several Senators said they supported the creation of the fund, but added that they didn't approve of the 1 percent sales tax provision. Sen. Mark Ourada (R-Buffalo), said the account should be funded through the general fund and not through fees or taxes. Metzen said a 1 percent sales tax is a substantial fee for businesses who use multiple lines, products and services. Sen. Arlene Lesewski (R-Marshall) concurred with Metzen's assessment. Although she said that the fund would benefit rural Minnesota, she also said she had concerns with funding it through a 1 percent tax. The tax would especially hurt a particular company in her district, she said, forcing it to perhaps pay over \$1 million dollars in extra taxes. She said such a high amount of taxes may cause the company to leave the area, and for that reason, she added, she could not support the bill.

"We have to be very careful," she said. "It's a fine line between a company leaving the state and a company staying in the state."

Kelley said he had tried funding the program through the general fund in the past but was unable to get enough support for the idea. He also said a surcharge per line or service to both companies and individuals was not fair. He said companies make money through the services, and those who use it the most should support it. Kelley also said creating the fund is important and is good policy, since it makes telecommunications access equal to all. He said high schools in his district pay approximately \$500 each month for telecommunications services, but a school in a rural district may have to pay 3 times that much. The added cost isn't fair to the schools, he said, and added that the students there would probably appreciate the choices greater access to telecommunications services would bring. Kelley also said another benefit of the fund is that it establishes greater efficiency by linking various agencies and entities together. Finally, Kelley said that there are companies who support creating the fund but have no better ideas on how to finance it.

Sen. Dennis Frederickson (R-New Ulm) offered an amendment that deletes the section of the bill creating the 1 percent tax but leaves the remaining language. The motion, in effect, leaves the fund in place but takes away the method of raising revenue for it. Kelley agreed to the amendment in order to continue working on other potential ways to fund the program. The amendment was adopted. The bill was approved and re-referred to the Finance Committee.

Metzen authored S.F. 2740, a bill making technical changes to various energy related provisions. Sen. Ellen Anderson (DFL-St. Paul) offered an amendment that allows the Public Utilities Commission to order a utility company to petition the commission to approve an emissions reduction rider and requires the company to implement an order to reduce emissions. The amendment changes current law that requires a utility to notify the commission only if it will proceed with a proposed emissions reduction project.

Paula Maccabee, from the Sierra Club, spoke on behalf of the amendment. She said none of the coal-fired power plants in Minnesota are subject to modern emissions standards, since they were



Members of the Senate Tax Committee pore over the details of latest budget forecast during a recent hearing.

Photo by David J. Oakes

“grandfathered” in under the Clean Air Act. Current voluntary agreements to reduce emissions, she said, don’t work, a sentiment that she said the Minnesota Pollution Control Agency shares. She said the Legislature could continue to wait to see if emissions reduction actually happens, or they could require it.

Carl Lehmann, from Xcel Energy, said the company is committed to maintaining an effort to reduce emissions. He said Xcel is moving forward with emissions reductions plans and should bring the first proposal on how to do so to the Public Utilities Commissions in May.

Metzen said his bill is only technical and he preferred to avoid substantive amendments. Anderson said she was willing to wait, but, she added, if nothing is done to reduce emissions, she will bring a separate bill next year to deal with the issue. The amendment was withdrawn. Kelley offered an amendment to require the development of a plan to maximize energy efficiency in existing public

buildings by Jan. 15, 2004, instead of Jan. 15, 2003. The amendment was adopted. The bill was approved and sent to the Senate floor.

Sen. David Tomassoni (DFL-Chisholm) presented S.F. 2672. The bill is designed to facilitate the development of new base load electric generation plants on Minnesota’s Iron Range. The measure requires the Public Utilities Commission to determine the appropriate criteria to be used in selecting bids to build a plant from utility companies that are responding to a request for proposals.

Tomassoni said the bill is a scaled down version of a bill he first brought before the committee several weeks ago. The first proposal, he said, was probably not realistic and the present bill is the product of a compromise with several groups of people. However, he said the original scope of the bill is still in place.

“We’ve worked really hard to come up with some solutions that would keep this project alive and well,” he said. “I

think we’ve come up with a very good plan.”

Sen. Kenric Scheevel (R-Preston) offered an amendment that changes the date that the commission must complete its determination of appropriate criteria from Dec. 15, 2003 to Dec. 15, 2002. His amendment also changes the date a utility may initiate a new request for proposals from Feb. 15, 2003, to Jan. 15, 2003, or when the commission completes its determination of appropriate criteria. The bill was approved and sent to the Senate floor.

Transportation

Overweight permits rejected

Members of the Transportation Committee, which met Thurs., Feb. 28, rejected a bill that requires local road authorities to issue permits to allow overweight vehicles to operate on highways subject to seasonal weight restrictions. Bill author, Sen. Steve Murphy

Committee update

(DFL-Red Wing), said currently truck drivers are required to get daily permits from jurisdictions for overweight exemptions, a time-consuming and inefficient system. "Why should we keep the status quo when we have shown the status quo needs an upgrade?" asked Murphy.

Opponents called the bill unpractical. Crystal City Engineer Tom Mathison wondered what is the point of road weight restrictions with a blanket exemption in place. "These rules are very difficult to enforce," Mathison said, "And the burden would be on the cities for enforcement." Sen. Claire Robling (R-Prior Lake) said that even though weight restrictions are inconvenient, she has seen how heavy trucks can break down roads. She said the state has put a lot of money into roads and doesn't want to see the road infrastructure damaged. The motion to approve the bill failed.

Sen. Dean Johnson carried S.F. 2812, a bill that requires the Department of Transportation (MnDOT) to use agriculture-based de-icing solutions for snow and ice control on state highways when economically feasible. The bill also requires MnDOT to study the impact of all ice-control methods on the environment and the deterioration potential of the methods on bridges. Johnson said agriculture-based de-icing solutions are less corrosive to roads than salt, and can be produced in Minnesota. Representatives from the Department of Public Safety and Cargill, a manufacturer of a corn-based de-icer, spoke in favor of the bill. The bill was approved and re-referred to the Finance Committee.

The state will exchange land parcels in Douglas County with the city of Garfield under a bill that was approved by the committee. The land conveyed to the state under S.F. 3258, carried by Sen. Cal Larson (R-Fergus Falls), is to become part of the state rail bank, according to Larson. The bill was recommended for the Consent Calendar.

Sen. Edward Oliver (R-Deephaven) sponsored a bill that clarifies rules pertaining to automobile surety bonds, which allow individuals to collect damages in case of fraudulent selling practices. Oliver said the purpose of S.F. 2115 is to correct the premise that anyone involved in a motor vehicle transaction can access the bond.

The bill clarifies that the bonds are for the benefit of the state and a motor vehicle

purchaser, he said, and excludes transferors and sellers from the list of possible beneficiaries. Oliver added the bill also excludes attorneys' fees from the monetary loss covered by the bond.

Allyson Hartle, representing CNA Surety, said the bill excludes parties like used car cleaning companies from benefiting from surety bonds. The bill was recommended to pass and sent to the floor.

The final bill to receive the committee's approval was carried by Sen. Richard Cohen (DFL-St. Paul). S.F. 3075 expands the motor vehicle sales tax to include new and used car sales transacted outside of a licensed dealership.

"The bill takes into account the seller," Cohen said, "We will be able to tax the sales done by non-dealers."

The bill was recommended to pass and sent to the floor.

Floor update

Monday, March 4

Consent Calendar bills okayed

In addition to acting on the contract procedure bill, members devoted the balance of the Mon., Mar. 4, floor session to granting final passage to a variety of bills on the Consent Calendar. Bills on the Consent Calendar are generally noncontroversial in nature and are placed on the calendar for final passage at the recommendation of a standing committee. Members granted final passage to the following bills.

S.F. 2445, authored by Sen. Jim Vickerman (DFL-Tracy), modifies the school trespass law by prohibiting anyone from being on the roof of a school without permission. S.F. 2590, carried by Sen. Becky Lourey (DFL-Kerrick), permits the appointment of the county recorder in Carlton and Pine Counties. H.F. 3196, sponsored by Sen. Martha Robertson (R-Minnetonka), is a Department of Administration housekeeping bill and makes changes to provisions relating to the department. H.F. 3062, carried by Sen. Jane Ranum (DFL-Mpls.), repeals limitations on the term of service for judges in Hennepin and Ramsey County Juvenile Courts. S.F. 2945, sponsored by Vickerman, permits the appointment of the auditor-treasurer and recorder in Nobles County.

H.F. 2695, carried by Sen. Lawrence Pogemiller (DFL-Mpls.), corrects provi-

sions relating to the Minneapolis Firefighters Relief Association. S.F. 2828, authored by Robertson, modifies a limitation on the ability of the Board of Trustees of the Minnesota State Colleges and Universities and intermediate school districts to enter into property agreements. S.F. 2573, sponsored by Sen. Charles Berg (R-Chokio), allows Independent School District No. 801, Browns Valley, to begin the school year as early as August 27. H.F. 2992, sponsored by Sen. Dan Stevens (R-Mora), modifies the terms of temporary licensure for occupational therapists. H.F. 3148, carried by Sen. Steve Kelley (DFL-Hopkins), modifies registration requirements for speech-language pathologists and audiologists whose registrations have lapsed for more than three years.

S.F. 2834, authored by Sen. Dick Day (R-Owatonna), permits the appointment of the county recorder in Steele County. H.F. 2624, carried by Sen. Claire Robling (R-Prior Lake), increases the Shakopee Public Utilities Commission from three to five members. S.F. 2814, sponsored by Sen. Steve Murphy (DFL-Red Wing), authorizes cooperatives to use electronic voting. S.F. 1000, sponsored by Stevens, modifies provisions governing eminent domain. S.F. 3162, authored by Vickerman, permits the appointment of the county recorder in Murray County. S.F. 2900, sponsored by Sen. Michele Bachmann (R-Stillwater), allows a city to establish cartways. S.F. 3278, carried by Sen. Linda Scheid (DFL-Brooklyn Park), requires the commissioner of public safety to adopt rules requiring education in organ donation as part of driver education programs.

S.F. 3045, authored by Sen. Don Betzold (DFL-Fridley), authorizes the extension of the domestic fatality review team pilot project in the Fourth Judicial District. S.F. 3154, carried by Robertson, eliminates certain responsibilities of the commissioner of health relating to occupational safety and health. H.F. 3116, carried by Vickerman, modifies responsibilities of the Legislative Commission on Minnesota Resources and the LCMR Citizens Advisory Committee regarding the environmental and natural resources trust fund. S.F. 2631, sponsored by Sen. Anthony "Tony" Kinkel (DFL-Park Rapids), restricts the taking of fish on certain waters. H.F. 2642, sponsored by Sen. Arlene Lesewski (R-Marshall), modifies a reporting requirement for the inspector of mines.

Wednesday, March 6

Bills processed

During the floor session, Wed., Mar. 6, Senators okayed several bills, including five bills that were granted final passage.

Bills on the Consent Calendar considered included S.F. 2592, sponsored by Sen. Edward Oliver (R-Deephaven). The bill authorizes the reorganization of a mutual insurance holding company into a stock company. S.F. 3347, carried by Sen. Roger Moe (DFL-Erskine), is a resolution urging Congress to ensure replacement of Indian trust land in the event of a nuclear incident at Prairie Island. Sen. David Knutson (R-Burnsville) carried S.F. 2971. The measure makes technical changes to the state procurement process, including the process for competitive bidding for building and construction contracts. S.F. 3109, authored by Sen. Grace Schwab (R-Albert Lea), permits municipal police departments to use black patrol vehicles. Schwab also carried S.F. 3244, which authorizes electronic signatures on laboratory blood sample reports. All of the bills were granted final passage.

Acting as the Committee of the Whole, the Senate granted preliminary passage to the following bills. S.F. 2433, carried by Sen. Don Betzold (DFL-Fridley), includes sexual activity between agents of special transportation service providers and vulnerable adults in the definition of third and fourth degree criminal sexual conduct. Sen. Linda Berglin (DFL-Mpls.) sponsored S.F. 2381. The bill separates hospice care providers from other home health care providers in statutory language. S.F. 2419, authored by Sen. Arlene Lesewski (R-Marshall), defines portable wading pools and requires parents to give consent for their children to use a wading pool at a family day care center. Betzold also carried H.F. 58, which requires keg registration to combat underage drinking. Sen. Leo Foley (DFL-Coon Rapids) carried S.F. 2580. The measure provides that civil license revocation hearings do not give rise to an estoppel in criminal prosecutions.

Sen. Ann Rest (DFL-New Hope) authored S.F. 2568. The bill removes a five-year limitation on the Hennepin County Board's authority to lease real property and removes a limitation on the board's authority to construct off-street parking facilities. A bill authorizing the establishment of a non-profit corporation

in Development Region Nine, S.F. 2572, was carried by Sen. John Hottinger (DFL-Mankato). Hottinger said a program studied by the Pew Foundation cannot receive a grant because the foundation must issue the grant to a non-profit organization. The organization will not make final decisions about the grant money, he said, but will serve as only a funnel for the grant money to the Region Nine Development Commission. Sen. Deanna Wiener (DFL-Eagan) carried S.F. 2578, which authorizes county boards to provide client-directed support services.

A bill prohibiting issuing homeowner's insurance for more than the replacement costs of the buildings on the property was carried by Hottinger. Hottinger said the bill, S.F. 2953, is necessary to avoid potential fraud and over-coverage of property. Sen. Charles Wiger (DFL-North St. Paul) carried S.F. 1030, a bill ratifying the National Crime Prevention and Privacy Compact. Wiger said the bill expedites the processing of fingerprint data for non-criminal justice purposes. Betzold also sponsored a measure, S.F. 2448, permitting the Department of Public Safety to make motor vehicle information available to certain members of the public, including the media. A bill transferring the remaining duties of the state treasurer, an office that was eliminated after a ballot question offered in 1998, to the commissioner of finance was carried by Rest. Sen. John Marty (DFL-Roseville) carried a proposal offered by the Department of Human Rights to allow an administrative law judge to impose fines on parties delaying human rights proceedings.

Sen. Warren Limmer (R-Maple Grove) offered S.F. 2680, which allows the commissioner of administration, in consultation with the Construction Codes Advisory Council, to adopt a new energy code. S.F. 2533, sponsored by Foley, allows counties to collect room, board and medical and dental fees from convicted offenders who are confined in a county facility. Rest carried S.F. 3080. The bill requires the depositor of a preneed funeral trust account to make an annual report about where the funds in the account are invested, the size of the account and the interest earned on the account. Sen. Myron Orfield (DFL-Mpls.) sponsored a bill, S.F. 3147, changing the state's affirmative action law to comply with federal provisions. A measure making the use of runners

to procure clients in motor vehicle accident cases a felony, S.F. 2638, was carried by Foley. He said an investigation by the attorney general and the FBI discovered health care providers who hire runners to convince people involved in accidents to fake injuries and file for false treatment.

S.F. 3117, which transfers sewer interceptors in the Metropolitan Area from the Metropolitan Council to local cities, was carried by Sen. James Metzen (DFL-South St. Paul). Foley sponsored a bill, S.F. 3124, modifying nursing home classifications. Sen. Debbie Johnson (R-Ham Lake) carried S.F. 2960. The bill requires employers to provide unpaid leave for volunteer firefighters performing their duties. S.F. 3084, a bill that aims to simplify state and local auditing procedures by allowing local units to file audits directly with state agencies, was sponsored by Rest. Betzold carried a bill, S.F. 2949, conforming statutes to federal policies on background checks. He also carried S.F. 3231, which provides that applicants for licensure who do not wish their home address to become public data may designate another address, such as a business address, as public. Sen. Yvonne Prettner Solon (DFL-Duluth) authored S.F. 3257, which adds an exception to conflict-of-interest statutes for housing and redevelopment authority officers.

Berglin carried S.F. 3331, which removes the cost of obtaining necessary health records when applying for a disability benefits program. S.F. 3145, sponsored by Foley, amends the Minnesota Code of Military Justice to conform with federal Uniform Code of Military Justice and Minnesota law. The Minnesota code applies to reservists not on federal active duty. Betzold authored a bill, S.F. 3167, allowing the Department of Corrections to release medical records to a civil commitment review coordinator.

Streaming Videos Available

Two videos, "Discover the Capitol" and "Rules, Laws and Process," can now be accessed through the Legislature's Web site (<http://www.leg.mn>). These videos are excellent sources of information on the history of the State Capitol and on how laws are made in Minnesota. For more information or to borrow a video tape of either program contact Senate Media Services at (651) 296-0264.

Floor action

Monday, March 4

Bills granted final passage on Special Orders

S.F. 3208-Moe, R.D.: Modifies procedures for legislative approval or disapproval of collective bargaining agreements and arbitration awards. 35-23

Bills granted final passage on the Consent Calendar

S.F. 2445-Vickerman: Modifies the school trespass law to prohibit persons being on the roof of a school without permission. 55-0

S.F. 2590-Lourey: Permits the appointment of the county recorder in Pine and Carlton Counties. 48-8

H.F. 3196-Robertson: Dept. of Administration housekeeping provisions. 54-1

H.F. 3062-Ranum: Repeals limitations on the term of service for judges in Hennepin and Ramsey County Juvenile Courts. 55-0

S.F. 2945-Vickerman: Permits the appointment of the auditor-treasurer and recorder in Nobles County. 48-8

H.F. 2695-Pogemiller: Corrects provisions relating to the Minneapolis Firefighters Relief Association and amends administrative procedures. 55-0

S.F. 2828-Robertson: Modifies a limitation on the ability of the Board of Trustees of the Minnesota State Colleges and Universities and intermediate school districts to enter in certain property agreements. 56-0

S.F. 2573-Berg: Allows Independent School District #801, Browns Valley, to begin the school year as early as Aug. 27 to accommodate Browns Valley high school students enrolled in school in Sisseton, South Dakota and Sisseton, South Dakota elementary students enrolled in school in Browns Valley. 57-0

H.F. 2992-Stevens: Modifies terms of temporary licensure for occupational therapists. 54-0

H.F. 3148-Kelley: Modifies the registration requirements for speech-language pathologists and audiologists whose registrations have lapsed for more than three years. 54-0

S.F. 2834-Day: Permits the appointment of the county recorder in Steele County. 48-7

H.F. 2624-Robling: Increases the Shakopee Public Utilities Commission from three to five members. 56-0

S.F. 2814-Murphy: Authorizes electronic voting in cooperatives. 55-1

S.F. 1000-Stevens: Modifies provisions relating to eminent domain, modifies provisions governing appointment of commissioners and provides for hearing and notice requirements. 56-0

S.F. 3162-Vickerman: Permits the appointment of the county recorder in Murray County. 49-5

S.F. 2900-Bachmann: Allows a city to establish cartways. 55-1

S.F. 3278-Scheid: Requires the commissioner of public safety to adopt rules requiring education in organ donation as part of driver education programs. 53-1

S.F. 3045-Betzold: Authorizes the extension of the domestic fatality review team pilot project in the Fourth Judicial District. 55-0

S.F. 3154-Robertson: Eliminates certain responsibilities of the commissioner of health and increases penalty limits for certain violations. 54-0

H.F. 3116-Vickerman: Modifies certain responsibilities of the Legislative Commission on Minnesota Resources and the LCMR Citizens Advisory Committee regarding the environmental and natural resources trust fund. 55-0

S.F. 2631-Kinkel: Restricts the taking of fish on certain waters. 56-0

H.F. 2642-Lesewski: Modifies a reporting requirement for the inspector of mines. 55-0

Wednesday, March 6

Bills granted final passage on the Consent Calendar

S.F. 2592-Oliver: Authorizes the reorganization of a mutual insurance holding companies into a stock company and modifies accounting provisions for certain ceding transactions. 57-0

S.F. 2971-Knutson: Codifies references relating to state procurement competitive bidding for building and construction contracts. 59-0

S.F. 3347-Moe, R.D.: A resolution urging Congress to ensure replacement of Indian trust land in the event of a nuclear incident at Prairie Island. 62-0

S.F. 3109-Schwab: Permits municipal police departments to utilize patrol vehicles and strikes references to constables in the law addressing the color of police vehicles. 59-4

S.F. 3244-Schwab: Authorizes electronic signature on laboratory blood sample reports. 63-0

Bills granted preliminary passage on General Orders

S.F. 2433-Betzold: Defines the crimes of sexual conduct in the third and fourth degrees to include persons who sexually penetrate vulnerable adults and who are agents of special transportation service providers.

S.F. 2381-Berglin: Regulates hospice care providers.

H.F. 58-Betzold: Prescribes standards for identification of beer kegs and requires retailers of beer to maintain records of sale of beer kegs and to record the identification of each beer keg sold.

S.F. 2580-Foley: Provides that certain license revocation hearings do not give rise to an estoppel on any issues in criminal prosecutions and makes it child endangerment to permit a child to be present when a person possesses certain chemical substances used to manufacture controlled substances.

S.F. 2568-Rest: Removes limitations on the Hennepin County Board's ability to lease real property and removes limitations on the board's authority to construct off-street parking facilities.

S.F. 2572-Hottinger: Authorizes the establishment of a specific nonprofit corporation in Development Region Nine for specified purposes.

S.F. 2578-Wiener: Provides for client-directed county support programs.

S.F. 1030-Wiger: Provides for a National Crime Prevention Privacy Compact and provides for an electronic information

sharing system between the federal government and the state of access criminal history data.

S.F. 2448-Betzold: Provides for the disclosure by the Dept. of Public Safety of personal data related to operation of a motor vehicle.

S.F. 2795-Marty: Adds sanctions that may be imposed in proceedings before the Dept. of Human Rights.

S.F. 2680-Limmer: Adds a member to the Construction Codes Advisory Council and provides for the adoption of a new energy code.

S.F. 2533-Foley: Authorizes counties to collect room, board and other related correctional expenses for offenders who have been convicted of a crime and confined in a county jail.

S.F. 3080-Rest: Modifies provisions relating to preneed funeral trust accounts.

S.F. 3147-Orfield: Modifies the statewide affirmative action program.

S.F. 2419-Lesewski: Defines portable wading pools and clarifies the use of portable wading pools at family day care settings.

S.F. 2963-Rest: Transfers the duties of the state treasurer to the commissioner of finance.

S.F. 2638-Foley: Provides that whoever employs runners to procure clients under certain circumstances involving motor vehicle insurance is guilty of a felony.

S.F. 2953-Hottinger: Prohibits issuing or requiring excess insurance on property and regulates real estate appraisals.

S.F. 3124-Foley: Clarifies minimum nursing staff requirements in nursing homes.

S.F. 2960-Johnson, Debbie: Requires that employers allow unpaid leave for employees to perform volunteer firefighter duties.

S.F. 3117-Metzen: Provides for the transfer or disposal of interceptor sewer facilities.

S.F. 3084-Rest: Modifies certain state and local auditing procedures and reporting practices.

S.F. 2949-Betzold: Expands what is considered to be public criminal history data, modifies procedures for certain background checks and authorizes criminal history checks for certain liquor license applicants.

S.F. 3231-Betzold: Provides that nondesignated addresses on Dept. of Agriculture license applications are not public data.

S.F. 3257-Solon, Y.P.: Adds an exception to conflict of interest provisions relating to Housing and Redevelopment Authority officers.

S.F. 3331-Berglin: Removes the cost of obtaining health records when applying for a disability benefits program.

S.F. 3145-Foley: Revises the Minnesota code of military justice.

S.F. 3167-Betzold: Provides access to data for purposes of the commissioner's preliminary determination whether a petition of civil commitment as a sexual psychopathic personality or sexually dangerous person is appropriate.

Thursday, March 7

Bills granted preliminary passage on General Orders

S.F. 3073-Knutson: Clarifies the standard for a misdemeanor violation of an order for protection or no contact order.

S.F. 2612-Kleis: Authorizes private vehicles escorting funeral processions to use flashing red lights.

S.F. 3184-Tomassoni: Modifies provisions governing road inspections, first hauls, and weight allowances for commercial motor vehicles and requires a study of load restrictions and increases.

H.F. 2742-Betzold: Regulates contested case procedures.

S.F. 3115-Kelley: Regulates state energy savings contracts.

S.F. 3100-Berglin: Establishes approved tribal health professionals as Medical Assistance providers and requires an evaluation of managed care regional rate differences.

S.F. 2998-Lourey: Waives the written case presentation and oral examination component of the licensing requirements for certain alcohol and drug counselors.

H.F. 3190-Ranum: Requires the juvenile court to send data relating to juvenile petitions to the statewide supervision system.

S.F. 1555-Higgins: Provides a preemption of local regulation of fertilizers and plant foods used in agricultural production, regulates the use on turf of certain fertilizers containing phosphorus, provides for enforcement, and prohibits fertilizer applications to an impervious surface.

S.F. 3101-Samuelson: Provides certain conditions and exceptions for a new Class I rest area on State Highway No. 371 between Brainerd and Little Falls.

S.F. 3034-Robertson: Authorizes the Hennepin County Board to contract with a public or private cooperative purchasing organization subject to a condition.

S.F. 2752-Robertson: Provides for design-build contracts in Hennepin County and requires a report.

S.F. 2803-Robling: Requires child care providers to develop policies for reporting suspected child maltreatment and requires child care licenses to contain certain information.

S.F. 3015-Scheid: Establishes a division of insurance fraud prevention within the Department of Commerce to investigate and prosecute insurance fraud.

S.F. 2768-Lessard: Changes provisions in the Medical Assistance demonstration project and adds requirements for the prepaid Medical Assistance and prepaid general assistance medical programs.

S.F. 2769-Lessard: Allows Itasca, St. Louis and Koochiching Counties to increase or establish the per capita spending limit for promotion of tourist, agricultural, and industrial development and provides for distribution of proceeds from forfeited land sales.

S.F. 3108-Kiscaden: Amends data and licensing definitions.

S.F. 3204-Neuvillle: Specifies that a county agency is not required to provide income support or cash assistance when specified state programs fail to do so.

S.F. 1372-Betzold: Modifies provisions governing child maltreatment data.

Preview

Monday, March 11

Legislative Audit Commission Subcommittee on Topic Selection

Chair: Sen. Claire Robling
9 a.m. Room 125 State Capitol

Agenda: Review list of possible program evaluation topics and select those for further consideration.

The Senate will be in session at 10 a.m.

Finance Committee

Chair: Sen. Douglas Johnson
3 p.m. Room 123 Capitol

Agenda: To be announced.

Property Tax Budget Division

Chair: Sen. Don Samuelson
4 p.m. Room 15 Capitol

Agenda: S.F. 3334-Sams: Decreasing class rate on certain agricultural homestead property. S.F. 3358-Metzen: Exempting certain utility attached machinery from property tax and from tax base sharing. S.F. 3374-Rest: Providing for the valuation of certain rental housing. S.F. 2944-Johnson, Douglas: Cook County road - bridge levy. S.F. 2464-Johnson, Douglas: Cook County Hospital District. S.F. 3280-Johnson, Douglas: Northeast Minnesota economic protection trust fund.

Legislative Commission on Pensions and Retirement

Chair: Sen. Dean Johnson
6:30 p.m. Room 112 Capitol

Agenda: Potential additional amendments to the 2002 omnibus retirement bill. Review of proposed procedures for awarding post-June 30, 2002, actuarial

services contract. Review of implementation plan study for the aggregation of the four teacher retirement plans. Other items as designated by the chair.

Tuesday, March 12

Legislative Coordinating Commission Subcommittee on Employee Relations

Chair: Rep. Carol Molnau
8 a.m. Room 500S State Office Building

Agenda: Review/approve proposed managerial plan. Review/approve commissioner's plan. Review/recommend salary cap waiver for Rochester public utilities manager. Update on negotiations with state employees. Review of H.F. 2033, defining state radio communications operators as essential employees. Other items as approved by the chair.

The Senate will be in session at 9 a.m.

Finance Committee

Chair: Sen. Douglas Johnson
3 p.m. Room 123 Capitol

Agenda: To be announced.

Tax Committee

Chair: Sen. Lawrence Pogemiller
4 p.m. Room 15 Capitol

Agenda: To be announced.

Wednesday, March 13

The Senate will be in session at 9 a.m.

Tax Committee

Chair: Sen. Lawrence Pogemiller
4 p.m. Room 15 Capitol

Agenda: To be announced.

Thursday, March 14

The Senate will be in session at 9 a.m.

Environment and Natural Resources Committee

Chair: Sen. Jane Krentz
3 p.m. Room 107 Capitol

Agenda: Discussion of state policy regarding the use of off highway and all terrain vehicles.

Tax Committee

Chair: Sen. Lawrence Pogemiller
4 p.m. Room 15 Capitol

Agenda: To be announced.

Friday, March 15

The Senate will be in session at 9 a.m.

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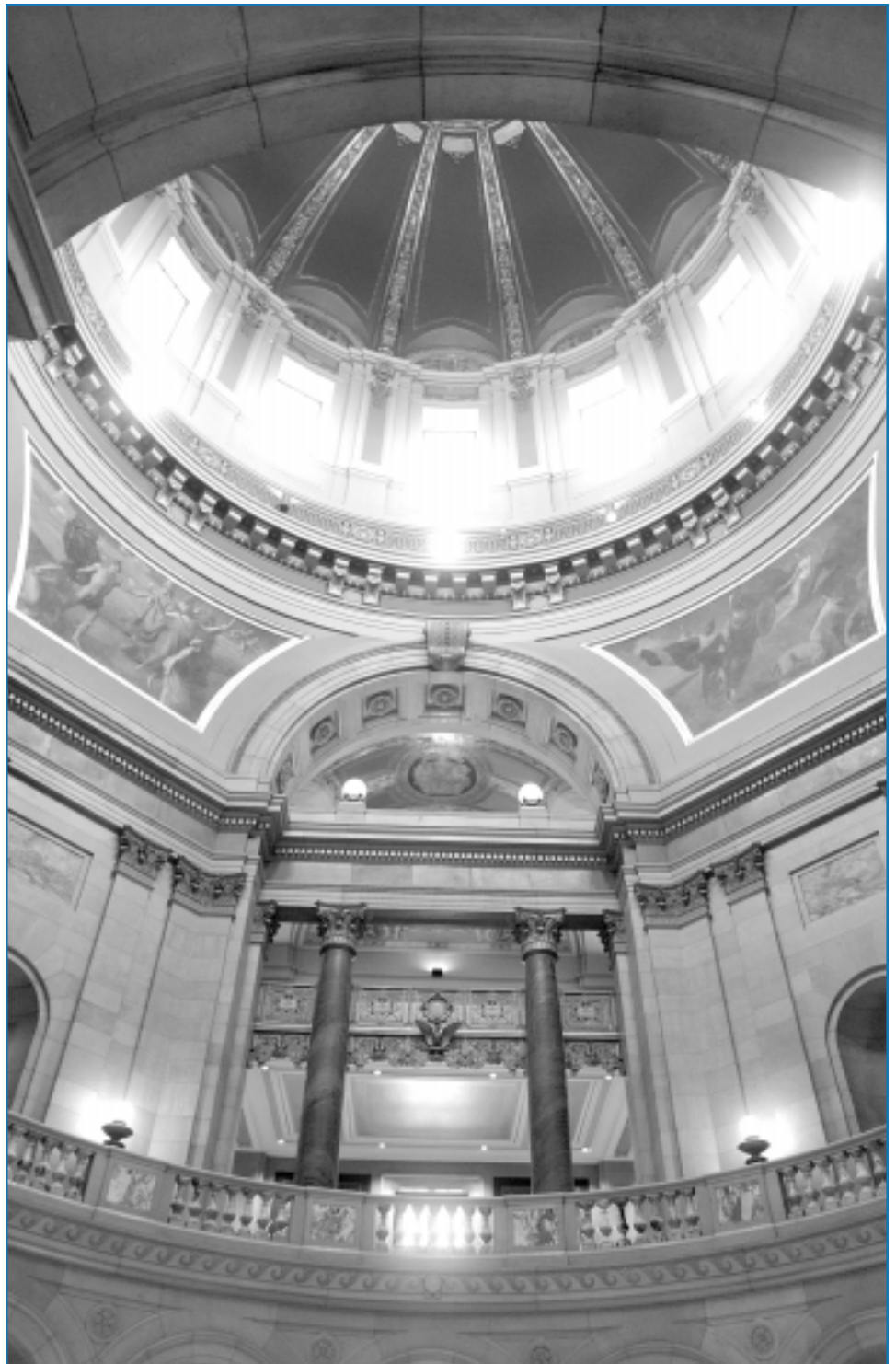
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Sunlight streams through windows high above the Capitol Rotunda on a recent March afternoon.

Photo by Shelley Hawes



March 15, 2002

Senate Highlights

Stadium bill fails, then passes

The Senate touched all the bases in the debate over a proposed stadium financing plan during a seven-hour floor session Wed., Mar. 13.

Before the Senate was S.F. 1857, a measure authored by Sen. Dean Johnson (DFL-Willmar), which sets the parameters for funding a new stadium. Under the measure, state bonds are earmarked for half of the projected \$330 million price of a roof-ready stadium if a major league team owner pays for the remaining half and any cost over-runs.

The state's portion of the cost is raised through a variety of means and pooled in a new sports facilities account, which may also fund the building of a football or other stadium. Revenues brought in from naming rights, media access fees, personal seat licencing and the sale of the Metrodome go into the fund. A statewide 13 percent tax on the wholesale receipts of the sale of sports memorabilia, a 10 percent admissions tax on tickets to events in the stadium and an increased tax on sales of Metrodome food, merchandise and tickets also contribute dollars to the account. Under the measure, a \$1 dollar surcharge is added to the daily cost of a rental car and a \$2 dollar surcharge is tagged on to the cost of parking on stadium game days.

Half of the money raised through the rental car surcharge is dedicated to the development of affordable housing in the community where the stadium is to be built.

The city where the stadium is to be located may increase by up to 3 percent taxes on food, entertainment and liquor that are assigned to the payment of principal and interest on bonds issued for the sports facility. In order to do raise taxes, the city must hold a referendum June 3, 2002, as specified in the bill.

Under the measure, a nine-member commission, comprised of one person, appointed by the governor, from each congressional district and the director of Strategic and Long-Rang Planning, selects where in the seven county Metro Area the stadium is to be located. "The bill is site neutral," said Dean Johnson. "It does not address a particular site in a particular location," he said.

Sen. John Marty (DFL-Roseville) said he was disappointed that no one was considering a stadium that is 100 percent financed by the owners of a baseball team. He offered an amendment, which did not prevail, that mandates that the commissioner of the Metropolitan Sports Facilities Commission provide assistance and advice to the owner of the Twins on developing a

private financing package for construction of a new baseball park. The amendment also allows the commissioner to assist the Twins owner in securing tax increment financing for the stadium. The amendment failed on a 31-33 vote.

Marty offered a second amendment that creates a special panel of three retired state judges to determine whether Major League Baseball has agreed upon a new economic system, including enhanced revenue sharing, protection of the financial interest of teams with below average profits and improvement of the viability of a new stadium. Under the amendment, the Metropolitan Council may only authorize bonds for a new stadium after considering the panel's recommendations and after Major League Baseball agrees to a new economic system.

"Baseball has got to fix its economy," Marty said. He said the average salary of a baseball players has rocketed to 118 times what the average salary was in 1967. "Yet," he said, "we are told the Twins don't have enough money to pay for player salaries."

"I believe that Major League Baseball needs to fix its economy," said Dean Johnson. "The amendment looks good. It sounds good, but it doesn't work." Sen. Linda Scheid (DFL-Brooklyn Park) said, "At the end of the day, major league baseball doesn't care what the Minnesota Legislature wants it to do." The amendment failed on a tie 33-33 vote.

"We are in the worst budget situation we have been in," Sen. Jane Ranum (DFL-Mpls.) said. "What kind of message are we sending to folks when the first tax increase that this body is debating is not to fix our schools, lower class size, nor for nursing homes, not to give money back to crime victims, not to make our prisons safe? What is the first tax increase we are proposing? For a stadium," she said.

Marty proposed an amendment that uses some of the additional tax revenues generated by the bill for education. "The average age of a school building in Minnesota is 47 years," he said. "But we are going to spend millions of dollars to replace a 20-year old building for a private business. We can't even address the urgent needs of our schools." Marty's amendment did not prevail on a 25-41 vote.

Sen. Dick Day (R-Owatonna) offered an amendment he said would finance the stadium without any additional taxation and no public funds. His amendment allows the state to run slot machines at the

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Canterbury Downs Race Track. "What's so bad about having one state-owned casino in Minnesota?" he asked. "People are already gambling at the track everyday."

"The stadium is not going to cost anyone anything unless the person want to put quarters in a slot machine in Shakopee, Minnesota," he said.

Sen. Becky Lourey (DFL-Kerrick) said the amendment encroached upon Native Americans' exclusive gambling privileges, which were given by the state to replace in a small way all that settlers stole from them.

Sen. Douglas Johnson (DFL-Tower) said he favored increased competition for casinos, because it could increase demand for casino workers and up their wages. However, he said, the race track in Shakopee is too close to Mystic Lake Casino. Day said the slot machines authorized in his amendment would not hurt Native American run casinos in Northern Minnesota, because people will not travel that far to play slot machines.

Sen. David Johnson (DFL-Bloomington) said the amendment was not a viable way of raising funds for the stadium because it was too likely to be challenged in court. He said the state constitution only allows the state to be involved in lotteries or in gambling through contracts with Native Americans.

Senators Dennis Frederickson (R-New Ulm) and Steve Dille (R-Dassel) said the social cost of gambling is too high. "We should teach people to get ahead in the world by working hard," Dille said, "not by this get rich quick idea that gets families in trouble."

Sen. Steve Murphy (DFL-Red Wing) said, "Major League Baseball wants to keep gambling at arms length." He said players who have any affiliation with gambling are suspended from the players' association.

Day's amendment failed 23-43.

Sen. Richard Cohen (DFL-St. Paul) offered an amendment authorizing the city of St. Paul—if selected as the site of a new stadium—to establish a ballpark local improvement district to foster the development of a compact, pedestrian oriented, compatible mixed use area within the buildings and blocks around the ballpark. According to the amendment, the purpose of the district is to encourage new commercial, retail and cultural development, and additional choices in housing, near the stadium and major transit streets and corridors.

Sen. Warren Limmer (R-Maple Grove) spoke against the amendment. He said he didn't think the Legislature should be involved in designing a neighborhood. It is not for the state, he said, to tell a local unit of government how land should be used. Sen. Martha Robertson (R-Minnetonka) asked why the provision specified only St. Paul. If something benefits one city, she said, it benefits all cities.

Responding to Limmer, Cohen said that it is possible the Legislature should have been more involved when the Metrodome was built in Minneapolis. The stadium, he said, has not helped revitalize the neighborhood in which it is located. To address Robertson's concern, Cohen said he would not oppose broadening the amendment to include any city in which a new ballpark is built.

Cohen withdrew the amendment, then later offered another amendment that simply eliminates all references to St. Paul and instead requires any city in which the new baseball park is built to establish a ballpark local improvement district. However, the amendment was not adopted.

Ranum offered an amendment specifying that \$40 million of the proceeds from the bond sale must be used for improvements to the transit system in the Metropolitan Area if the stadium is built in Minneapolis. The amendment was adopted.

Sen. Roy Terwilliger (R-Edina) presented an amendment removing a provision requiring a referendum to be held in the area where a stadium will be built. He said a referendum is unworkable, and wouldn't even be held until after the 2002 baseball season is over. Terwilliger said a referendum gives certain citizens veto power over an issue that affects the entire state, and that those who won't attend games shouldn't be able to make a decision for those who will. He also said Legislators are elected to lead, not to pass decisions on to others.

Robertson echoed Terwilliger and said it is irresponsible to have one community make a decision on whether a ballpark is built or not. Scheid said building a stadium is a regional—and not just a local—issue. A stadium, she said, doesn't belong to any one city, but to the fans of the team.

Speaking in opposition to the amendment, Sen. Sandra Pappas (DFL-St.

Paul) said it is only fair to take the issue to the voters with a referendum. Sen. Lawrence Pogemiller (DFL-Mpls.) said the referendum belongs in the bill because it includes taxes—on liquor and on restaurants—that hit local residents who might not necessarily ever attend a game. He said if a stadium is approved, every time someone goes to a bar or a restaurant they will pay extra taxes. Such taxes, he said, are imposed on residents living near the location of a new stadium, and as a result, he added, it is not unreasonable to have citizens involved in the process.

"Our voters would like the opportunity to be a part of that decision," he said. However, the amendment failed on a 21 to 44 vote.

Sen. Jim Vickerman (DFL-Tracy) offered an amendment making St. Paul the site of a new stadium. Speaking against the amendment, Dean Johnson said it is a mistake to make the bill site specific. He said Legislators do not have all of the information necessary to make an informed decision regarding the best site for a new ballpark. Sen. Linda Higgins (DFL-Mpls.) also spoke against the amendment. She said it is inappropriate to cut Minneapolis off so soon in the process.

Sen. Charles Wiger (DFL-North St. Paul) spoke in support of the amendment. He said the community of St. Paul is behind the proposal. Wiger also said there will be a bidding war to build the stadium if a site is not chosen in advance. The amendment was adopted by a vote of 36 to 30. Scheid later moved to reconsider the amendment, but her motion failed.

Pogemiller offered an amendment specifying that the charge for rental cars be raised from the \$1 in the original bill to \$1.50. The amendment further specified that one third of the proceeds be designated for noise abatement at the airport. The amendment was adopted on a 36-31 roll call vote.

Sen. Steve Kelley (DFL-Hopkins) offered an amendment allowing Minneapolis and other communities to be named as host cities for the baseball stadium. The amendment alters a previous amendment designating St. Paul as the host city by allowing the other locations to be considered. The amendment was adopted on a 38-20 roll call vote.

After considering several additional amendments the Senate vote to grant the bill final passage failed on a 36-31 roll call vote. The measure needed 41 votes for

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final passage because of the state bonding included in the bill. Moments later, though, Day moved reconsideration of the bill. The motion to reconsider was approved 48-19.

Sen. John Hottinger (DFL-Mankato) then offered an amendment narrowing the scope of the bonding and taxing provisions to the Metropolitan Area. Several members questioned whether the revenue generated would be enough to provide funding for the stadium. Kelley said the revenue would be sufficient for a baseball stadium, but might make the financing of football stadiums more doubtful. "One of the reasons for having a sports facilities account is so that we don't have to keep dealing with this, but the bill does still balance for a baseball stadium," Kelley said. In addition, adoption of the amendment eliminates the need for the bill to have a super majority in order to gain final passage. The amendment was adopted on a 49-16 roll call vote. The bill then gained final passage on a 37-30 roll call vote.

Transportation funding okayed

The members of the Transportation and Public Safety Budget Division continued to tackle the major transportation funding bill Thurs., Mar. 7. S.F. 2812 is carried by the chair of the division, Sen. Dean Johnson (DFL-Willmar).

The bill provides for the creation of a multimodal transportation fund with two accounts: one to be controlled by the Department of Transportation (MnDOT) and one to be operated by the Metropolitan Council. The package includes several sources of increased revenues. The bill raises the gasoline excise tax by seven cents and indexes the tax to inflation in future years. S.F. 2812 also deletes language establishing maximum tax rates for vehicle registration and authorizes a November 2002 referendum on a 0.5 percent sales tax in the 11-county Metropolitan Area for highway spending.

An amendment that allows the city of Lake Benton and Lincoln County to contribute a reduced portion of the construction costs of an administration building shared with the Department of Transportation was proposed. Several Senators objected to the proposal, including Sen. Claire Robling (R-Prior Lake), who said the city and county weren't paying their fair share. The amendment was laid aside. Sen. Don Samuelson (DFL-Brainerd) brought forth an amendment that allows MnDOT to enter into a joint

venture with Crow Wing County to construct a rest area and visitors center on state highway No. 371 near Crow Wing State Park. The amendment was adopted.

An amendment that alters the composition of the multimodal fund and clarifies the formula for trunk highway fund appropriations was offered. The amendment deletes a provision that 50 percent of trunk highway money be spent within the seven county Metro Area and 50 percent in Greater Minnesota. The amendment was adopted.

A population-based formula for 50 percent of the proceeds from the gas tax increase was offered as an amendment to the bill. Sen. Keith Langseth (DFL-Glyndon) said the amendment was extremely unfair to Greater Minnesota. "If you go this route," Langseth said, "There are going to be 20 counties in this state that won't get the benefit of the gas tax increase." Robling disagreed the formula was unfair because high density areas have greater road needs. "Big counties get more, but that's where the problems are," said Robling. "Construction costs twice as much in part because land acquisitions costs are greater. We need to put the money where it is needed the most." The amendment was adopted. An amendment that requires the Metropolitan Airports Commission to submit its budget to several legislative committee chairs was adopted as well.

Another amendment proposes that all work related to transportation program delivery must be done by unionized state employees. MnDOT official Betsy Parker said Minnesota only outsources 16 to 17 percent of its labor compared to up to 80 percent in other states. Parker added that the department outsources because often



Senate Minority Leader Dick Day (R-Owatonna) takes the Segway Human Transporter for a test drive in a corridor outside the Senate Chamber on Thurs., Mar. 7.

Photo by Shelley Hawes

the construction needs greatly exceeds the number of state employees available. Johnson said that he has heard that the construction work of outsourced labor is not up to regular standards. Parker replied that the department does not have a significant problem of unsatisfactory work by consultants. The amendment was adopted.

Additional language that requires MnDOT to reserve funds for improved access to I-35W near Lake Street in Minneapolis was proposed. Hennepin County Commissioner Peter McLaughlin said the project is badly needed because two major companies in the area, Wells Fargo and Abbot Northwestern Hospital, have planned major expansions, and that the amendment was part of an effort by the county to reconnect the neighborhood to the highway. "We want to ensure that MnDOT is doing its share," McLaughlin said. The amendment was adopted.

The transportation funding bill was recommended to pass and re-referred to the Finance Committee.

Committee update

Education

Policy bill passed

The Education Committee met Fri., Mar. 8, to put the finishing touches on the education policy bill.

The measure, S.F. 2736, sponsored by Committee Chair Sandra Pappas (DFL-St. Paul), makes a range of changes to educational policies, including those affecting charter schools, the post-secondary enrollment option and data privacy. The members voted to forward the bill to the full Senate.

The committee considered several amendments to the bill. Sen. Gen Olson (R-Minnetrista) offered an amendment that allows charter school students to participate in public school extracurricular activities, so long as the charter school does not have comparable programs. "The amendment," she said, "is an effort to build goodwill in communities, which might increase public schools chances of passing a referendum." Sen. Linda Scheid (DFL-Brooklyn Park) said parents of charter school students do pay property taxes that cover some of the cost of public school activities.

"Charter schools have opted out of a system; we can't allow them to make piecemeal decisions about when they get to opt in," said Sen. Julie Sabo (DFL-Mpls.).

Bob Meeks, from the Minnesota School Board Association, said that currently charter and public schools can make agreements that allow charter school students to participate in public school activities. The bill, he said, is not needed. He also said that charter school students will take the place of public school students on public school teams.

The amendment was adopted.

Sen. Satveer Chaudhary (DFL-Fridley) authored an amendment, which the committee adopted, that exempts charter schools from the requirement that teachers constitute a majority of the members on the board of directors. The amendment also allows alternative programs operated by private organizations to convert their programs to a charter school if 60 percent of the full-time teachers sign a petition in favor of the change. He said the provision is needed to make current charter school policies applicable to alternative programs.

Sen. Leonard Price (DFL-Woodbury) offered an amendment that permits school districts to allocate funds to private

contracted alternative programs for students who have been assessed as chemically dependant. Sen. Martha Robertson (R-Minnetonka) said schools already have the authority to give money to alternative programs. Morgan Fleming, representing the Sobriety High School, said the bill was needed to clarify the school's authority and encourage the transfer of funds. The committee adopted the amendment.

Counties must grant child care assistance during a qualifying parent's medical leave of absence from education or employment in certain circumstances, under an amendment authored by Sen. Becky Lourey (DFL-Kerrick). The amendment, which the committee adopted, also states that counties must not suspend a family's child care assistance if a parent leaves the county to provide care for an elderly, sick or dying relative.

Another amendment, offered by Sen. Warren Limmer (R-Maple Grove), allows school districts to permanently transfer any available amount from its operating capital account to its undesignated fund balance. Under the provision, school districts that utilize the operating capital account in combination with the debt service equalization program to support a building program may not use the fund transfer authority. The committee adopted the changes.

The members also heard S.F. 1755, which creates a statewide insurance plan for public school employees. Sen. LeRoy Stumpf (DFL-Thief River Falls) said the insurance program, by putting all school employees in a single large pool, will help to stabilize soaring insurance costs and reduce administration fees.

Sen. Kenric Scheevel (R-Preston) offered an amendment, which the members adopted, that makes changes to the labor management board, which oversees the policies of the insurance program. The bill specifies that each statewide affiliate of an exclusive representative of eligible employees with at least 1,500 employees participating in the plan is entitled to appoint one member to the board. Scheevel's amendment limits the board membership to seven participants from around the state. The amendment also states that all insurance companies offering coverage to employees under the statewide plan must provide to the board all data on the groups' claims experience. The committee re-referred the measure to the Health and Family Security Committee.

Finance

Several bills approved

Members of the Finance Committee, chaired by Sen. Douglas Johnson (DFL-Tower), approved several bills at their meeting on Thurs., Feb. 7.

Sen. Jane Krentz (DFL-May Township) carried S.F. 2674, the Department of Natural Resources fish, wildlife forestry and habitat bill. The bill adds turtles to the definition of private aquatic life for turtle aquaculture purposes, modifies provisions related to timber sales, creates a limited lottery hunt for prairie chickens, modifies commercial turtle license and harvest regulations, allows the consumption of game at fund raising events and prohibits shining lights on agricultural property where reflective signs are posted. The measure also repeals the barbless hook requirement for live bait on experimental trout waters, allows bidders in St. Louis County to determine the value of tree species in the county, creates a hunter and trapper education program, authorizes the replacement or restoration of illegally destroyed aquatic vegetation and removes the \$200 cap on the permit fee charged for controlling aquatic plants. Finally, the bill prohibits individuals born after 1979 from obtaining a hunting license unless they have evidence of completing a hunter safety course, prohibits duck hunting with motorized decoys and authorizes the prohibition or restriction of fishing in waters licensed as a private fish hatchery or aquatic farm.

Sen. Roy Terwilliger (R-Edina) offered an amendment to allow the use of a silencer by individuals hired by a local government to shoot deer in a deer management control plan and who have a federal permit to possess a silencer.

Terwilliger said the amendment was a request from the community in order to decrease noise levels. Mike Letourneau, from the Department of Natural Resources, spoke against the amendment. He said federal law allows the permitting of silencers but Minnesota prohibits them. He also said he is concerned because bullets travel long distances, and the noise they make is a warning to those in the area to stay away. A silencer, he said, takes away that warning.

"When things become silent, someone can stumble into something," he said. Terwilliger withdrew the amendment. The bill was approved and sent to the Senate floor.

Committee update

Sen. Leonard Price (DFL-Woodbury) presented S.F. 2738. The bill provides for the maintenance of leased property, permits aquatic plant grants, makes certain state park permit exemptions and modifies current law to comply with federal law in certain situations. The measure appropriates \$1.495 million in the second year of the biennium for state park operations and \$200,000 in the second year for the Red River State Recreation area.

Sen. Jim Vickerman (DFL-Tracy) offered an amendment that allows up to 50 percent of a snowmobile maintenance and grooming grant to reimburse the intended recipient for the actual cost of acquiring snowmobile trail grooming equipment. Under the amendment, the cost must be incurred in fiscal year 2002. The amendment was adopted. The bill was approved and sent to the Senate floor.

S.F. 2933, authored by Sen. Anthony "Tony" Kinkel (DFL-Park Rapids), allows the installation of an individual sewage treatment system if it meets local ordi-

nance requirements and state requirements outlined in the bill. The bill also requires that manufacturers reimburse the Pollution Control Agency \$1,000—to be deposited in the environmental fund—for staff services needed to review information submitted regarding the sewage treatment system. The bill was approved and sent to the Senate floor.

Sen. Roger Moe (DFL-Erskine) carried S.F. 2125, which designates 102,315 acres of consolidated conservation land as wildlife management areas. The land, located in Roseau, Beltrami and Marshall Counties, is approximately two-thirds brush/grassland and wetlands and one-third forest land. The lands provide for significant flood control in the Red River basin. Designating it into wildlife management area units finishes a 70-year process of assigning approximately 1.5 million acres of consolidated conservation lands into appropriate state management units, 260,000 acres of which was designated into state forest and wildlife management

areas during the 2000 Session. According to information provided, the lands remain in a state of "management limbo" without proper designation.

Along with the designation, the bill requires at least 90 miles of trails to be designated for all terrain vehicle (ATV) purposes on the land and allows deer hunters to use an ATV before and after legal shooting hours and from 11 a.m. to 2 p.m. during the deer season within a designated area on the lands. The measure also provides for the enforcement of ATV violations on the lands, allows the Roseau County Board to sell specified consolidated conservation lands and allows specified consolidated conservation lands in Marshall and Roseau Counties to be exchanged if an appropriate land exchange is offered to the state. Finally, the bill reduces from 88.5 percent to 87 percent the percentage of the lottery in lieu of sales tax receipts to be allocated for natural resources programs in fiscal year 2004 and thereafter. The bill was ap-



Senators Keith Langseth (DFL-Glyndon), Douglas Johnson (DFL-Tower) and LeRoy Stumpf (DFL-Thief River Falls) strategize during a Senate floor session Wed., Mar. 13.

Photo by David J. Oakes

proved and re-referred to the Tax Committee.

S.F. 2594, authored by Sen. Dan Stevens (R-Mora), establishes two programs: the sustainable agriculture loan program and a methane gas loan program. The agriculture program is designed to help farmers adopt best management practices that emphasize sufficiency and self-sufficiency in agricultural inputs, including energy efficiency, reduction or improved management of petroleum and chemical inputs. The program also emphasizes increasing the energy self-sufficiency of production by agricultural producers and environmental improvements. The methane program is designed to help finance the purchase of necessary equipment and the construction of a system that will utilize manure to produce electricity. The measure also allows a zero interest loan of up to \$100,000 to be granted to the University of Minnesota to purchase a methane digester. To finance the programs, the bill transfers money from the disaster recovery revolving fund into accounts for the programs, provides for application fees and sets interest on the loans at no more than 4 percent per year. The bill was approved and sent to the Senate floor.

Sen. David Tomassoni (DFL-Chisholm) presented S.F. 3054. The bill modifies provisions regarding petrofund contractors and consultants and changes application requirements for certain petrofund reimbursements. The bill has an approximate cost to the petroleum tank release compensation fund of \$267,500, which will eventually be offset by revenue to the petroleum tank release cleanup fund. The bill was approved and sent to the Senate floor.

Sen. LeRoy Stumpf (DFL-Thief River Falls) carried S.F. 3010, which appropriates \$1.215 million in fiscal year 2003 to the Department of Natural Resources. The appropriation is for maintaining lands and trails under the department and open to recreational motor vehicle use. The appropriation is also for monitoring and enforcement activities on the lands and trails and for environmental review on planned recreational motor vehicle trails. Of the \$1.215 million, \$700,000 is from the all terrain vehicle account, \$460,000 is from the off road vehicle account and \$55,000 is from the off-highway motorcycle account. The bill was approved and sent to the Senate floor.

S.F. 887, which creates registration for medical response units and specialized medical response units, was authored by Sen. Becky Lourey (DFL-Kerrick). Under the bill, application fees ranging from \$25 to \$150 for various licenses are placed as nondedicated receipts in the general fund. The bill was approved and sent to the Senate floor.

Lourey also authored S.F. 819, which requires all plumbers to be licensed and establishes inspection requirements and fees for new plumbing installations. Current law does not require plumbers in cities of 5,000 people or fewer to be licensed. It is estimated that projected revenues from collected fees will exceed expenditures for services provided by the bill by \$94,000 beginning in 2006 and continuing thereafter. Members adopted an amendment to eliminate an appropriation of \$1.156 million from the state government special revenue fund for implementation of plumbing rules and standards. The bill was approved and sent to the Senate floor.

Sen. Bob Lessard (IND-Int'l. Falls) carried S.F. 3352. The bill changes the definition of "dry-cleaning solvent" to mean any nonaqueous solvent for use in the cleaning of garments or other fabrics at a dry cleaning facility. The definition includes, but is not limited to, perchloroethylene and its degradation products and petroleum based solvents and their degradation products. The bill also adds to the list of registration fees for dry cleaning facilities a fee of 35 cents for each gallon of other nonaqueous solvents sold for use by dry cleaning facilities in the state. The bill was approved and sent to the Senate floor. It is estimated the bill will generate less than \$1,000 per year.

Budget changes approved

Members of the Finance Committee, chaired by Sen. Douglas Johnson (DFL-Tower), approved S.F. 2096, the second phase of budget reconciliation for this biennium, at their meeting on Fri., March 8.

The bill, carried by Johnson, is designed to deal with the extra \$450 million shortfall reflected by the February budget forecast for the 2002-03 biennium and to deal with any corrections that need to be made in provisions of the first budget reconciliation bill. To deal with the added shortfall, the bill makes accounting adjustments and changes to existing

provisions or accounts; to make corrections, the measure includes recommendations made by the various divisions for supplemental spending.

To make corrections to the budget bill, the measure includes new spending for the 2002-03 biennium of \$7.7 million for Minnesota State Colleges and Universities (MnSCU) and the Higher Education Services Office (HESO) contracts, \$5 million for state grants to HESO, \$1.3 million for K-12 provisions and \$1 million for crime victims ombudsman and battered women provisions. In total, the bill adds approximately \$15 million in spending for 2002-03.

To deal with the added shortfall, the bill adds to the general fund in 2002-03 by refinancing Transportation Department bottleneck funds by \$245.2 million, reducing the cash flow account by \$155 million and transferring \$52 million from the workers compensation special fund. In total, the changes add approximately \$452.2 million to the general fund.

Also to deal with the shortfall, in 2002-03 the bill changes a K-12 education formula to bring an extra \$312.5 million to the general fund and brings in \$36.9 million through human services shifts. These changes add approximately \$349.4 million to the general fund. In total, the bill adds approximately \$801.6 million to the state's general fund over the 2002-03 biennium.

For the 2004-05 biennium, in order to make corrections, the bill also includes new spending of \$375 million for general education formula inflation, \$15.4 million for MnSCU and HESO contracts, \$12.6 million for human services and corrections provisions, \$2 million for crime victims ombudsmen and battered women provisions and \$1.9 million for K-12 provisions. In total, the bill includes approximately \$406.9 million in spending for the years 2004-05. To deal with the shortfall, the bill also adds \$3.9 million in the 2004-05 biennium through both human services shifts and the K-12 education formula changes to add \$7.8 million to the general fund.

Sen. Sheila Kiscaden (R-Rochester) offered an amendment that establishes a limited parole authority. The amendment allows the commissioner of corrections to parole a limited number of individuals involved in nonviolent controlled substance or impaired driving offenses for budgetary, safety or security reasons.

Committee update



Despite a mid-March snowstorm, the Teddy Bear Band performed on the front steps of the Capitol as part of Early Childhood Parent Rally Day, Thur., Mar. 14.

Photo by Shelley Hawes

Under the amendment, parole is only allowed if the individual in question is not likely to endanger public safety.

Johnson opposed the amendment, saying it didn't belong in the bill. He said the amendment was a controversial provision that should go through the various committees first.

The amendment was adopted initially, but after members moved to reconsider it, the measure was withdrawn by Kiscaden.

Kiscaden also offered an amendment delaying felony DWI implementation. The amendment also reduces over \$1 million in appropriations made to the Departments of Corrections and Public Safety, as well as to the Board of Public Defense and the Office of the Attorney General. Kiscaden said the amendment saves the state money. Sen. Dave Kleis (R-St. Cloud), however, spoke against the proposal. He said it sends the wrong message if the state is to "get tough" on repeat DWI offenders. The amendment was not adopted.

Sen. Jane Krentz (DFL-May Township) offered an amendment that allows school districts to use up to half of the money reserved for staff development for any operating expense, such as teacher salaries, in 2003-04. The amendment frees up approximately \$45 million, Krentz said. Although Krentz said she supported staff development, she added she would rather save teachers' jobs instead. Sen. Leonard Price (DFL-Woodbury) spoke in favor of the amendment. He said it is a good way for schools to deal with any damage they may experience due to budget cuts. The amendment was adopted.

Sen. Richard Cohen (DFL-St. Paul) presented an amendment dealing with the moratorium on consultant contracts in certain state departments and entities. Under the amendment, a contract is also prohibited if the contract is used to replace a position made vacant as a result of the hiring freeze established by the first budget bill. The amendment was not adopted.

Kiscaden offered an amendment, also dealing with the moratorium on consultant contracts, which simply repeals the moratorium. The amendment was not adopted. The bill was approved and referred to the Tax Committee.

FACE bill fails

At their meeting Mon., Mar. 11, members of the Finance Committee, chaired by Sen. Douglas Johnson (DFL-Tower), defeated a proposal providing candidates for office more public money for their campaigns.

In return for lower contribution limits, S.F. 388, carried by Sen. John Hottinger (DFL-Mankato), provides candidates for constitutional office or the Legislature with public money for their campaigns equal to about 80 percent of their total campaign spending limit. Also called the Fair and Clean Elections (FACE) Act, the bill requires candidates to raise a certain number of contributions, in amounts between \$5 and \$50, to be eligible for the

public subsidy. The measure defines “independent expenditure” and allows candidates to receive an additional subsidy to match independent expenditures, prohibits political parties from accepting contributions of more than \$10,000 from an individual or association per election cycle and prohibits political action committees from accepting more than \$1,000 each year in contributions from an individual. Public television and radio stations are also required to provide free air time for participating candidates. The bill establishes spending limits of \$1.9 million for gubernatorial candidates, \$375,000 for Attorney General, Secretary of State and State Auditor candidates, \$46,250 for Senate candidates and \$23,125 for House candidates. The bill also allows political parties to contribute to a candidate up to 25 percent of the size of the public subsidy. The bill specifies that the program is voluntary—a candidate can choose not to participate—and costs an average of \$13 million per biennium, about twice what is currently spent on campaigns in the state. Hottinger said the bill establishes a strong public effort to finance elections in the state.

Sen. Sheila Kiscaden (R-Rochester) asked why the spending limits—which are less than the current level—are so low. She said the low spending limits create an incentive not to participate in the state program.

“I’m just concerned the spending limits are not realistic,” she said.

Hottinger said the limits are lower than what is currently allowed because most candidates don’t spend that much money on their campaigns. He said lowering the limit frees up state money to be used in more hotly contested districts, where a candidate may need additional funding to deal with independent expenditures. He also said a candidate who decides not to use public subsidies for a campaign isn’t affected by any spending limit.

Several Senators said they saw no reason for the bill. Sen. Roy Terwilliger (R-Edina) said he didn’t believe that there were many problems in Minnesota elections. He said elections in the state are not generally influenced by money.

“It seems to me that you’re chasing a problem that doesn’t exist at the state level,” he said. “I do not believe that elections have been bought and paid for, or that there’s anything wrong with the system that we have now.”

Sen. Dick Day (R-Owatonna) agreed with Terwilliger. He said that there were no examples of overspending in the last election, that Minnesota politics is mostly fair and honest and that the issue is not a concern of his constituents.

“This is the lowest priority in my district,” he said. “I don’t even know if I get any calls on it.”

Hottinger said he agreed that Minnesota politics is generally clean. However, he said the public does not share that perception, and something should be done to address the perception. He also said something should be done to ensure that the integrity of Minnesota elections are maintained.

“We have to deal with the public perception that we are somehow in the pockets of somebody else,” he said. If nothing is done, he added, “I think we feed into that perception.”

The bill was not adopted by a vote of 16 to 13.

Sen. James Metzen (DFL-South St. Paul) carried S.F. 2392, which makes a number of changes to the provision of emergency 911 services. The bill requires the Department of Administration to focus on the operation and maintenance of 911 services instead of design standards, no longer requires that the Public Utilities Commission approve payments to service providers of 911 services before the department issues reimbursements and authorizes competitive local exchange carriers (CLECs) to receive payment for 911 services rendered. The bill was approved and sent to the Senate floor.

Sen. Steve Kelley authored S.F. 2707, which increases the real estate registration fee surcharge to fund the real estate task force. The bill was approved and sent to the Senate floor.

Kelley also presented S.F. 3205. The bill creates the public telecommunications fund by imposing a fee of 1 percent of the gross receipts from retail sales of telecommunications services. Under the bill, the telecommunications account is required to fund the learning network of Minnesota—which in the past was funded through the Higher Education Services Office (HESO)—and the telecommunication access revenue program, regional library telecommunication aid and any shortfall in 2003 in the MNLink program. The account also provides grants for a hospital emergency communications network and grants for an emergency response network

that enables communication between law enforcement agencies, fire departments, fire stations and hospitals. Kelley said the bill raises approximately \$44.3 million in 2004.

Kiscaden said she was concerned that the service charge is invisible to the consumer. She also said there are several similar bills circulating, and they should be looked at together, not sequentially, to decide on the best course of action.

Kelley said he understood Kiscaden’s concern regarding the circulation of several similar bills, but he added that the bill is an attempt to fix that problem. He said the bill centralizes services and databases, and connects various agencies together.

“This bill is an effort to see all the pieces together,” he said.

Kelley offered an amendment that requires the fee to be shown as a separate line item on the telecommunication services bill. The amendment was adopted. The bill, however, was laid over for further discussion.

Sen. LeRoy Stumpf (DFL-Thief River Falls) carried S.F. 3132. The bill authorizes the Northern Counties Land Use Coordinating Board to initiate a pilot project to promote cooperative efforts among county, state, federal and local units of government and Canadian officials regarding land use management issues. Under an adopted amendment, offered by Sen. David Knutson (R-Burnsville), the project is sunset on June 30, 2004. The bill was approved and sent to the Senate floor.

S.F. 3140 was authored by Sen. Twyla Ring (DFL-North Branch). The bill allows employees of a private employer contracting with an elementary or secondary school to earn wage credits for unemployment benefits if those credits are earned during the school year for employment related to food services provided at the school. The bill was approved and sent to the Senate floor.

Sen. Richard Cohen (DFL-St. Paul) carried S.F. 2859, which changes the time for the submission of the governor’s budget to the Legislature from the fourth Tuesday in January in each odd numbered year to January 15. The bill was approved and sent to the Senate floor.

Hottinger also authored S.F. 2669. The bill, also called the Minnesota Emergency Health Powers Act, arose because of and is designed to deal with

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From left, Senators Leo Foley (DFL-Coom Rapids), Jane Krentz (DFL-May Township), Becky Lourey (DFL-Kerrick), Ellen Anderson (DFL-St. Paul) and Sandra Pappas (DFL-St. Paul) gather around a laptop computer on the Senate floor Wed., Mar. 13.

Photo by David J. Oakes

potential bioterrorism concerns. The measure clarifies the process and outlines the criteria for declaring a public health emergency and provides a list of the powers and duties of the governor in a declared emergency. According to Hottinger, provisions in the bill are paid for with federal funds. The bill was approved and sent to the Senate floor.

Rules and Administration

Election judges bill gains

A brief hearing of the Rules and Administration Subcommittee on Elections, chaired by Sen. John Hottinger (DFL-Mankato), resulted in approval of a bill allowing election judges not to designate a major party affiliation. The bill, S.F. 2950, was carried by Sen. Linda Scheid (DFL-Brooklyn Park).

During the Wed., Mar. 13, hearing, Scheid said the subject of recruiting enough election judges to meet the state's needs has been discussed for at least 15 years. Securing election judges is a difficult task for local election administrators, she said, especially because many people do not want to publicly affiliate with a major party. She said some elections judges will randomly select a party affiliation, a practice Scheid called ridiculous. Dorothy McClung, Ramsey County, said many election judges are aging and ready to retire from service. She said the practice of recruiting judges is to start with lists of volunteers forwarded by the major parties. The lists, McClung said, never contain enough names. She said discussions with professional opinion pollsters have indicated that 35 to 40 percent of Minnesotans routinely refuse to designate a party affiliation. Allowing

local election officials to appoint election judges without a party label will allow the officials greater recruitment flexibility.

Patty O'Connor, Blue Earth County, said rural Minnesotans are extremely politically independent. When potential judges are told they must designate a party, they object strongly, she said. "I get a lot of heat, and that's putting it lightly," O'Connor said.

"What matters most is public confidence in the process we have," said Secretary of State Mary Kiffmeyer. The law requiring election judges to designate a party and requiring election officials to ensure that a polling place is not dominated by judges of one party, she said, was enacted to ensure public confidence in the process. The appearance of impropriety is devastating to the elections process, Kiffmeyer said. She said that voters cannot be certain, if the bill passes, that the

nonpartisan judges at their polling place truly are of no party.

S.F. 2950 was approved and advanced to the Rules and Administration Committee.

State Government, Economic Development and the Judiciary Budget Division

Reservists salaries augmented

A proposal to compensate for the differential between military pay and state workers' salaries when workers are called to active military duty took another step closer to final passage in the State Government, Economic Development and the Judiciary Budget Division meeting held Thurs., Mar. 7. Bill sponsor, Sen. Don Betzold (DFL-Fridley), said S.F. 2991 also provides for workers' medical benefits and allows local officials to extend the same benefits to their employees. A Department of Finance official said the costs of the program are minimal. The bill was recommended to pass and sent to the Finance Committee.

Sen. Ellen Anderson (DFL-St. Paul) brought forth two bills for discussion. The first, S.F. 2652, authorizes a \$1.1 million appropriation for a family homeless prevention and assistance program. "We want to put on public record the need that exists for this program and that the need is only growing worse," said Anderson.

"If we can't put money into the program," Anderson said, "we will pay for it one way or another."

Michael Dahl from the Minnesota Coalition for the Homeless said the program ensures fewer people will fall into homelessness. Dahl said the program is administered on a local basis to allow each city to devise its own strategy to fight homelessness in the community. The prevention rate for similar programs is from 80 to 100 percent, said Dahl. He added the program is only for people who have exhausted every other resource. The bill was laid aside.

The other Anderson bill, S.F. 2462, increases contributions to unemployment insurance funds by increasing the total taxable wage base and total taxable wages. Anderson said the number of recent layoffs of Minnesota workers have created low balances in the dislocated worker and

unemployment funds, and the amounts are not adequately being replenished. According to Anderson, the bill amends the definition of taxable wages from 60 to 70 percent of the state's average annual wage, increases the workforce enhancement fee from .09 to .12 percent of taxable wages, and increases the amount to be deposited into the workforce development fund from .07 to .1 percent of taxable wages. The bill also allows a special "solvency surcharge" of 2 to 8 percent on quarterly unemployment taxes that will generate enough income to pay the interest due the following year on any loan from the federal unemployment trust fund.

Speaking in opposition to the bill, Minnesota Chamber of Commerce representative Tom Hesse said it isn't the time to increase taxes. "The bill is not the right recipe to get the economy in Minnesota going," Hesse said. An AFL-CIO official said the organization supports the bill in its entirety. Sen. Douglas Johnson (DFL-Tower) suggested the bill be included in the proposals for phase two of the budget process. The bill was laid aside.

Sen. Steve Kelley (DFL-Hopkins) carried S.F. 3205, a bill that creates a public telecommunication services fund. The new fund addresses current educational telecommunications needs, Kelley said, as well as extends funding to organizations who need emergency services, such as hospitals. Kelley offered an amendment that establishes a 1 percent fee on retail sales of telecommunications services to sustain the telecommunications services fund. The amendment was adopted. The bill allows a stable funding source to create a statewide high speed data network for high schools, Kelley said, and allows higher education institutions to expand bandwidth to meet the growing demand. Between \$43 and \$48 million will be generated from the phone bill surcharge, Kelley estimated.

Hesse said the Minnesota Chamber of Commerce has no position on the bill, but is concerned the fees will undoubtedly be passed on to consumers. Randy Young of the Minnesota Rural Telecom Association, however, was opposed to the proposal. "The phone bill is not the right mechanism to achieve those goals, nor is the 1 percent surcharge appropriate. A more precise funding mechanism is necessary, preferably a pennies-per-month line charge," Young said, referring to a standard line charge rather than percentage

based fee structure. The bill was approved and sent to the Finance Committee.

Taxes

Stadium debate moves on

In the final inning of the Tax Committee's debate over public financing of a new baseball stadium Thurs., Mar. 7, the group voted in favor of a measure that allows the state to raise taxes to cover half of the cost of the new facility.

The stadium financing plan, outlined in Sen. Dean Johnson's (DFL-Willmar) S.F. 1857, includes the creation of a sports facilities account to fund the construction of a up to half, or \$370 million, of the cost of a stadium. The account is funded through several revenue sources listed in the bill. The greatest source of money, a 13 percent gross receipts tax on sports memorabilia, raises \$13 million. The funds raised through the sale of the Metrodome, rights to air games played in the stadium on television, and the naming rights to the facility are also put into the account. An additional 10 percent stadium admission tax and an additional 6.5 percent tax on in-stadium sales of food, souvenirs and other items is authorized by the bill. The bill also places a \$1 surcharge on car rentals to bring funds into the account.

The measure authorizes several local option sales tax for the community chosen to host the stadium. The host community, the bill states, may raise sales taxes on food, beverages and entertainment up to 3 percent, place a \$2 ticket surcharge on sports events and a \$2 surcharge on parking to pay for the stadium. The bill specifies that the Baseball Site Commission, composed of one member from each congressional district, chooses a stadium location anywhere within the Metro Area.

Many testifiers argued against raising taxes and allowing surcharges to pay for the stadium. Tom Goldstein said, "I can't believe the Twins can't afford to build a ballpark for themselves. We need to find out why they can't do it."

Mike Taft, from Progressive Minnesota, said, "The state needs to show the same creativity in finding solutions for the housing crisis and education financing shortfalls as it does when finding funding for a stadium."

Committee Chair Lawrence Pogemiller (DFL-Mpls.) said, "The committee understands that education is a

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higher priority than baseball.” He said the committee had been working hard to address housing and education issues throughout the season.

Sen. Sandra Pappas (DFL-St. Paul) offered an amendment that makes a local referendum mandatory before a community may impose a local option sales tax to fund stadium construction. The referendum must be held June 4, 2002, as stated in the amendment. Pappas said that date was chosen so that communities wishing to host the stadium may have adequate time to submit a proposal before the end of the Twins’ contract.

“To do a referendum takes us away from our representative form of government,” said Sen. William Belanger (R-Bloomington.) “We are saying we won’t make the decision and the voters should do it themselves.”

Pappas said referendums are not uncommon and noted that every school levy must be brought before the voters.

Sen. Linda Scheid (DFL-Bloomington Park) said the referendum does not take into account the opinions of Minnesota residents outside the host community. “The Twins don’t belong only to one community,” she said, “they belong to the entire state.”

“There has already been a referendum,” said Sen. John Marty (DFL-Roseville). “In fact,” he said, “There have been two.” He said Minneapolis and St. Paul have had referendums on the stadium issue in the past five years, and both had failed. “Are we interested in what the public really wants,” he said, “or are we going to doctor the referendum up and try to guarantee an outcome?”

“Our voters have a good understanding of the stadium issue,” said Pogemiller. “If the proposal is good enough to tax food and liquor in our cities, then people will vote for it. If the proposal isn’t good enough to pay for, they won’t vote for it,” he said.

The committee adopted the amendment mandating a referendum.

Marty then offered an amendment that commits all the proposed sources of revenue for the sports facilities account toward education. “If these taxes are truly painless taxes,” he said, “let’s use them for education.” The amendment failed on a 7-20 vote.

The committee voted 17-10 in favor of the stadium bill. The measure was forwarded to the full Senate.

St. Paul library plan approved

The city of St. Paul is allowed to establish a separate library agency with levy authority according to a bill that was approved by members of the Tax Committee Tues., Mar. 12. S.F. 3245 was brought to the committee by Sen. Richard Cohen (DFL-St. Paul), who said the proposal mirrors the successful library system in Minneapolis. St. Paul City Council member Pat Harris said the bill not only creates greater private sector involvement and tax accountability, but also allows St. Paul libraries to focus more on their mission. Ramsey County Commissioner Sue Haigh, testifying as a member of the Friends of the St. Paul Library, said the bill doesn’t request more money from state, but rather allows libraries to ask the St. Paul City Council, acting as Library Board, to increase levies when appropriate. An amendment was adopted that removes an exclusion of the library agency from levy limits. The bill was approved and incorporated into the omnibus tax bill.

Sen. Gen Olson (R-Minnetrista) carried S.F. 3428, a bill that makes owners of taxable property who lease space to school districts for classroom instruction eligible for a tax exemption provided the owners reduce the lease amount to the schools by the same amount of the exemption. Speaking in favor of the bill, Michael Looby from Westonka Public Schools said the bill saves money for growing districts who are forced to lease commercial space. He added only owners who charge market rates and provide all of the required information to the assessor are eligible for the exemption. The bill was also approved and included in the omnibus tax bill.

A economic stimulus package for Greater Minnesota was carried by Sen. Don Samuelson (DFL-Brainerd). Coalition for Greater Minnesota Cities representative Tim Flaherty described the four main provisions of the bill. Flaherty said the bill includes a regional investment network credit that allows investors to receive a 25 percent credit for investing in a local venture capital fund for emerging and growing businesses. The bill also extends the duration limit for property tax abatement from the current 10 or 15 years to 20 years, he said. Income taxes are based solely on sales in Minnesota under another provision in the bill, Flaherty continued, and Greater Minnesota cities are allowed to grant exemptions from state property tax

on commercial or industrial property for up to 20 years.

Sen. William Belanger (R-Bloomington) said he was troubled by the provisions because there are no figures for the potential fiscal impact and because the state doesn’t have the money to spare for the programs. Department of Revenue official Jenny Engh said fiscal impact projections are difficult because the department doesn’t know how many companies would take advantage of the programs.

Mankato Assistant City Manager Dan Jordet said the property tax abatement extension is critical to help his city get improved access to main transportation corridors. “The abatements allow us to spread the cost of infrastructure projects over a longer period,” Jordet said. An amendment was adopted that limits the types of property eligible for the tax exemption provision.

Regarding the property tax exemption, Engh said the department has never seen the Legislature delegate the ability to determine any state tax exemptions to local government. Engh added the auditing process for the department for the income tax provision related to Minnesota-only sales would be extremely difficult.

The bill was laid aside.

Income and Sales Tax Budget Division

Division sets priorities

Members of the Income and Sales Tax Budget Division assembled Thurs., Mar. 7, to whittle down the inventory of over 50 bills heard by the division this session and create a short list of recommended bills to be further considered by the Tax Committee.

The division voted to recommend three measures that reverse effects of the Streamlined Sales Tax Act, which became law last year. The act, part of a nationwide effort to establish uniform tax definitions among states to facilitate the taxing of online sales, has had several unintended consequences, Division Chair Don Betzold (DFL-Fridley) said. The most frequently debated result of the act has been the taxing of bakery items bought in bakeries. Under the act, the same bakery items, made by the same baker, are not taxed when bought at other grocery or conve-



As debate on a Twins stadium bill enters its sixth hour Wed., Mar. 13, from left, Senators Michele Bachmann (R-Stillwater), Debbie Johnson (R-Ham Lake) and Grace Schwab (R-Albert Lea) converse on the Senate floor. Photo by David J. Oakes

nience stores. The “bread tax” is due to the definition of prepared foods as goods created by mixing ingredients on the premise where they are sold.

Sen. Chuck Fowler (DFL-Fairmont) offered a bill, S.F. 2810, which restores the state’s traditional definition of prepared foods. Betzold said the measure destroys the conformity that the streamlining act builds among states and risks making the state ineligible to institute a tax on online sales, which would bring in millions of dollars in revenue.

The members voted to recommend Sen. Ann Rest’s (DFL-New Hope) measure, S.F. 2640, to the Tax Committee as the division’s solution to the “bread tax.” Instead of changing the definition of prepared food as Fowler’s measure does, the bill keeps the uniform definition but creates an exemption for bakery items. The bill also exempts uncooked meats and

other food products from sales tax. The measure carries a \$7.6 million price tag.

The division endorsed a second of Rest’s measures dealing with the streamlined sales tax. S.F. 3303 exempts the delivery of concrete blocks and aggregate materials from sales tax for projects with contracts in effect before the streamlined sales tax was enacted. Betzold said the tax on delivery for construction projects were not figured into contracts made before the act was passed and have made estimated costs obsolete. The bill has a negligible fiscal impact.

The final streamlined sales tax related bill, S.F. 3418, authored by Sen. Steve Kelley (DFL-Hopkins), extends the sales tax to installation charges, if the charge to install an item would be taxed if installed by the original seller. Betzold said currently when a store that sells a car CD player installs the player, it must charge tax

in the installation, but if the CD player is installed by a different business, the installation is not taxed. The Dept. of Revenue estimates the bill will bring in \$3.2 million in revenue.

Two other sales tax exemptions were approved by the division. S.F. 3396, authored by Sen. David Tomassoni (DFL-Chisholm), exempts energy efficient propane furnaces and water heaters. Sen. Steve Murphy (DFL-Red Wing) said the sales of efficient natural gas and fuel oil furnaces are already exempt and exempting propane furnaces increases tax equality among the products. S.F. 3057 exempts construction materials, supplies, equipment and machinery for a meat packing and treatment facility in Albert Lea. Sen. Grace Schwab (R-Albert Lea) said the bill, which she sponsored, is needed to encourage the reconstruction of a meat packing plant that recently burned down in her

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community. She said without the plant hundreds of jobs would be lost. Sen. Bob Kierlin (R-Winona) said that the Dept. of Revenue's \$1.2 million estimate of decreased revenues is not accurate. He said if the plant is not built the state will also lose revenue, because taxes could not be collected from the plant or its workers.

The division also okayed an aggregate materials removal fee for the Metro Area, which is established in Murphy's S.F. 3179, and approved the removal for an appropriations cap for casino counties tribal tax agreement payments. Sen. Claire Robling (R-Prior Lake) said the bill, S.F. 802, is necessary because counties are quickly reaching the limit. Fowler's measure, S.F. 3166, was also approved by the committee. The bill exempts agricultural production loans for seeds, equipment, livestock and other farming materials from mortgage registration and deed tax. The Dept. of Revenue estimates that the bill would have a revenue loss of a half-million dollars.

The division endorsed all of the local sales taxes requested in bills heard by the members. The measures authorize local option sales tax increases in Hermantown, Medford, Albert Lea, Ely, Rochester and Bloomington.

The members also okayed all measures heard by the division that make technical changes to income and sales tax policies.

The bills approved by the division to the Tax Committee create a net loss of revenue of over \$6 million, based on Dept. of Revenue estimates.

Property Tax Budget Division

Range bills okayed

Members of the Property Tax Budget Division, chaired by Sen. Don Samuelson (DFL-Brainerd), approved eight bills for consideration by the Tax Committee. Four of the bills—heard Mon., Mar. 11—addressed issues in Northeastern Minnesota.

Sen. Douglas Johnson (DFL-Tower) carried three bills. S.F. 3280 converts the Northeast Economic Trust Fund from a temporary status to a permanent status. Under current law, expenditures cannot be made out of the corpus of the fund without Legislative approval. Interest earned can be used by the Iron Range Resources and Rehabilitation Board (IRRRB) for regional economic development. After June 30, 2003, however, the entire fund will be available for expenditure by the IRRRB. Johnson said board members have expressed concerns about having a permanent fund available. The bill continues current practice for fund expenditures indefinitely.

A bill to create a Cook County Hospital District, S.F. 2464, was also authored by Johnson. He said the district was accidentally eliminated in 1996, after being created in 1989. S.F. 2944, the final Johnson bill, allows Cook County to use taxes levied on unorganized territories for road and bridge purposes in any area of the



Children from the Capitol Child Care Center closely examine an exotic species of centipede during the Minnesota Zoo's annual appearance in the Capitol Rotunda Mon., Mar. 11.

Photo by Shelley Hawes

county, not just in the unorganized territory from which the money was collected

A bill exempting a proposed electric generation facility in Hoyt Lakes from the personal property tax, S.F. 3358, was offered by Sen. James Metzen (DFL-South St. Paul).

Sen. Ann Rest (DFL-New Hope) sponsored S.F. 3374. The measure provides that an assessor must reduce, by the property's restricted use value, the value of low-income rental housing, considered "class 4d." The restricted use value is computed by computing the market value reduction that results from restrictions on the property on its uses as class 4d property.

S.F. 2742, carried by Sen. Twyla Ring (DFL-North Branch), repeals a special law from the 2001 tax bill authorizing Chisago City to provide reimbursement for orderly annexation of property to the town of Wyoming for a period and in the amounts agreed to by the city and town under a joint powers agreement.

Sen. Dallas Sams (DFL-Staples) carried a bill, S.F. 3437, permitting Detroit Lakes to pool available increments from all of the city's tax increment financing (TIF) districts to meet debt service obligations of a specific TIF district in the city. Sams also sponsored S.F. 3334, which decreases the class rate on the first \$115,000 of market value of agricultural homestead land to 0.35 percent from 0.55 percent.

Transportation and Public Safety Budget Division

Various bills gain

In other action, the Transportation and Public Safety Budget Division considered several other bills during its Thurs., Mar. 7, hearing.

Agents seeking to represent student athletes are required to register in the State of Minnesota under the Uniform Athlete Agents Act, carried by Sen. Deanna Wiener (DFL-Eagan). Weiner said S.F. 2827 provides protection to both students and universities regarding agents' activities. The bill was recommended to pass and sent to the Finance Committee.

A bill that allows a limited license to be granted to individuals who have had their license revoked due to non-payment of child support was carried by Sen. Thomas Neuville (R-Northfield).

Neuville said S.F. 3114 has a provision to charge a \$20 fee for license reinstatement. Department of Public Safety official Don Hesch said the reinstatement fee is to cover the costs of additional staff needed to process the licenses. The bill was recommended to pass and sent to the Finance Committee.

Sen. Jane Ranum (DFL-Mpls.) carried S.F. 2683, a bill that contains provisions for homeland security and anti-terrorism initiatives. Ranum said the relevant items for the committee were contained in the appropriations section of the bill, but the numbers had not been finalized. Ranum pledged the numbers will be finalized before the bill leaves the Finance Committee. The bill was recommended to pass and sent to the Finance Committee.

A bill that provides a list to telemarketing companies of individuals who seek to limit unsolicited telephone calls was brought before the committee. Sen. Richard Cohen (DFL-St. Paul) said S.F. 3246 puts the onus on the approximately 1,000 telemarketers in the state to eliminate unwanted calls. Two amendments were adopted, one that decreases fees to telemarketing companies in later years and another that exempts telecommunications companies who serve less than 50,000 customers. The bill was recommended to pass and sent to the Finance Committee.

Floor update

Friday, March 8

Businesslike session held

Members devoted a majority of the Fri., Mar. 8, floor session to final passage of several bills on the Senate Calendar and preliminary approval of bills on General Orders.

Bills granted final passage included S.F. 2419, authored by Sen. Arlene Lesewski (R-Marshall), that clarifies the use of wading pools at day care settings. Sen. Don Betzold (DFL-Fridley) carried H.F. 58, a bill that requires retailers to maintain records of the sale of beer kegs and to record the identification number of beer kegs sold. S.F. 2580, carried by Sen. Leo Foley (DFL-Coon Rapids), includes several crime provisions, including making the possession of controlled substances around children a form of child endangerment. S.F. 2568, sponsored by Sen. Ann Rest (DFL-New Hope), removes certain

restrictions from Hennepin County to lease property and build parking ramps. Sen. John Hottinger (DFL-Mankato) carried S.F. 2572, a bill that authorizes the establishment of a specific non-profit corporation in Development Region Nine. Hottinger also carried S.F. 2953, a bill that regulates real estate appraisals and prohibits excess insurance on property.

Other bills that gained final passage included S.F. 2578, carried by Sen. Deanna Wiener (DFL-Eagan), which provides for client-directed support programs at the county level. S.F. 1030, carried by Sen. Charles Wiger (DFL-North St. Paul), provides for an electronic information sharing system between federal and state governments to access criminal history data. Betzold carried S.F. 2448, a bill that provides for disclosure by the Department of Public Safety of personal data related to the operation of a motor vehicle. S.F. 2963, carried by Rest, transfers the duties of the state treasurer to the commissioner of finance. S.F. 2795, sponsored by Sen. John Marty (DFL-Roseville), increases sanctions for human rights violations. S.F. 2680, carried by Sen. Warren Limmer (R-Maple Grove), modifies several provisions in the energy code, including adding a member to the Construction Codes Advisory Council. Foley sponsored S.F. 2533, a bill that allows counties to collect room and board expenses from offenders who have been convicted of a crime and confined in county facilities. S.F. 3080, carried by Rest, modifies provisions related to preneed funeral trust accounts.

Sen. Myron Orfield (DFL-Mpls.) sponsored S.F. 3147, a bill that modifies the statewide affirmative action program. S.F. 2638, carried by Foley, classifies the employment of runners to procure clients involving motor vehicle insurance as a felony. Sen. James Metzen (DFL-South St. Paul) carried S.F. 3117, a bill that provides for the disposal of interceptor facilities. Foley also carried S.F. 3124, a bill that modifies nursing home resident reimbursement classifications and clarifies minimum nursing staff requirements. S.F. 2960, sponsored by Sen. Debbie Johnson (R-Ham Lake), requires employers to allow unpaid leave to employees to perform volunteer firefighter duties. S.F. 3084, carried by Rest, modifies certain state and local auditing procedures and reporting practices. Betzold carried S.F. 2949, a bill that expands and modifies

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procedures for background checks. S.F. 3231, also sponsored by Betzold, determines that nondesignated addresses on license applications are not public data. S.F. 3257, carried by Sen. Yvonne Prettner Solon (DFL-Duluth), adds an exception to conflict of interest provisions related to housing and redevelopment authority officers. S.F. 3331, carried by Sen. Linda Berglin (DFL-Mpls.), removes the cost of obtaining health records when applying for a disability benefits program. S.F. 3145, carried by Foley, amends and repeals certain state codes related to the military. S.F. 3167, carried by Betzold, allows access to data to determine the appropriateness of a petition of civil commitment as a sexually psychopathic or sexually dangerous person.

H.F. 2742, also carried by Betzold, regulates contested case procedures. S.F. 2768, sponsored by Sen. Bob Lessard (IND-Int'l. Falls), changes provisions in the Medical Assistance demonstration project and adds requirements for two prepaid Medical Assistance programs. S.F. 2769, also carried by Lessard, increases the allowed per capita spending limit for promotion of tourist, agricultural and industrial development for four northern counties. S.F. 3101, carried by Sen. Don Samuelson (DFL-Brainerd), facilitates construction for a new rest area on state highway No. 371. S.F. 3190, sponsored by Sen. Jane Ranum (DFL-Mpls.), requires the Juvenile Court to send data relating to juvenile petitions to the statewide supervision system. Berglin carried S.F. 3100, a bill that establishes tribal health professionals as medical assistance providers and amends provisions related to managed care regional rates. S.F. 2752, carried by Sen. Martha Robertson (R-Minnetonka), allows design-build contracts in Hennepin County. S.F. 3073, carried by Sen. David Knutson (R-Burnsville), clarifies the standard for a misdemeanor violation of an order for protection or no contact order related to domestic abuse. S.F. 3184, carried by Sen. David Tomassoni (DFL-Chisholm), modifies provisions governing road inspections, first hauls and weight allowances for commercial motor vehicles.

Sen. Steve Kelley (DFL-Hopkins) carried S.F. 3115, a bill that regulates state energy saving contracts. S.F. 3015, carried by Sen. Linda Scheid (DFL-Brooklyn Park), establishes a division of insurance fraud prevention within the Department of

Commerce. S.F. 2612, carried by Sen. Dave Kleis (R-St. Cloud), authorizes private vehicles escorting funeral processions to use flashing red lights. Sen. Linda Higgins (DFL-Mpls.) carried S.F. 1555, a bill that preempts local regulations of fertilizers and plant foods used in agricultural production. S.F. 3034, carried by Robertson, allows Hennepin County to contract with a public or private cooperative purchasing organization under certain conditions. S.F. 2998, carried by Sen. Becky Lourey (DFL-Kerrick), waives the written case presentation and oral examination component of the licensing requirements for certain alcohol and drug counselors.

Acting as the Committee of the Whole, the Senate granted preliminary passage to the following bills on General Orders. S.F. 3256, carried by Sen. Dan Stevens (R-Mora), modifies limits on the sale of prepared foods at community events or farmer's markets. S.F. 2875, sponsored by Sen. Mee Moua (DFL-St. Paul), establishes an environmental sustainability policy. S.F. 1189, carried by Sen. Michele Bachmann (R-Stillwater), requires the election of municipal council members after certain annexations. S.F. 3293, sponsored by Sen. Satveer Chaudhary (DFL-Fridley), transfers three state highways and vacates one state highway. S.F. 3168, carried by Stevens allows bidding exceptions for certain water tank contracts. An amendment was adopted that allows a local individual to operate a water tower. Tomassoni carried H.F. 1620, a bill that strengthens the effect of an orderly annexation agreement. S.F. 3133, sponsored by Stevens, requires legislative approval before the commissioner of health adopts certain new or amended rules to the Minnesota Clean Indoor Air Act. S.F. 2430, carried by Wiger, allows higher education students in the state system to rent textbooks. Foley carried S.F. 3126, the Department of Human Services technical bill. S.F. 1072, sponsored by Lessard, establishes "Grace" as the state photograph. S.F. 2540, carried by Betzold, changes certain probate and power of appointment provisions. S.F. 2458, carried by Sen. Dallas Sams (DFL-Staples), prohibits presenting false information for purposes of certain background studies. S.F. 2422, sponsored by Sen. Michelle Fischbach (R-Paynesville), allows ten business days for dealers to submit title transfers and clarifies base value calculations.

S.F. 3345, carried by Tomassoni, regulates credit scoring procedures. S.F. 3026, carried by Kelley, regulates the provision of interstate telemedicine services. S.F. 3136, sponsored by Lesewski, modifies various provisions related to workers' compensation. Kelley carried S.F. 3174, a bill that amends the Money Transmitter Act. S.F. 2783, carried by Scheid, regulates residual liability coverage relating to no-fault auto insurance. S.F. 2970, carried by Foley, requires mechanics to repair or replace air bags when repairing collision damage to a motor vehicle. S.F. 2516, carried by Sams, clarifies the definition of pastures for the purpose of animal feedlot regulation. Metzen sponsored S.F. 2739, the omnibus liquor bill, which includes a provision exempting hotel honor bars from hours of sale restrictions. S.F. 2403, carried by Higgins, allows the Minneapolis Park Board to lease a certain parcel of property along the Mississippi River.

Monday, March 11

Biodiesel bill passed

Debate on a bill mandating the use of biodiesel fuel after June 30, 2005, marked the floor session Mon., Mar. 11. The mandate, contained in the conference committee report on S.F. 1495, provides that after the June 30, 2005, date and after other conditions are met, all diesel fuel sold in Minnesota must contain at least 2 percent biodiesel fuel oil. The other conditions are that the annual capacity in Minnesota for the production of biodiesel fuel oil exceeds 8 million gallons and federal action on taxes imposed, tax credits or otherwise, creates a reduction in the price of 2 cents or more per gallon on taxable fuel that contains at least 2 percent biodiesel.

Sen. Steve Murphy (DFL-Red Wing), chief author of the bill, said the measure contains exemptions for nuclear power plants, railroad locomotives and taconite and copper mining machinery.

Murphy said a recent Metro Transit study that concluded the mandate would add up to 8 cents per gallon to the cost of diesel fuel had been redone and that the new figures indicated the mandate will add only 1 or 2 cents to the cost per gallon. Murphy said the original study pertained to the costs of biodiesel fuel in 55 gallon drums, rather than the cost via pipeline. He said increased the increased cost

argument against the mandate is still a viable argument, but that the issues are being worked through.

Sen. Jim Vickerman (DFL-Tracy) urged support of the measure and said, "We have to figure out a way to not be obligated to foreign countries for our fuel supply."

Sen. Twyla Ring (DFL-North Branch) added that biodiesel is the only fuel that meets new federal requirements. Sen. Steve Dille (R-Dassel) also spoke in support of the bill and said the measure is expected to generate \$200 million to \$500 million in economic benefit to the state. Sen. Dan Stevens (R-Mora), said, "The debate on biodiesel reminds me of the ethanol debate, but ethanol has turned out to be one of the state's best success stories."

The conference committee report was adopted and the bill re-passed on a 53-11 roll call vote.

Bills granted final passage

In other action, Senators granted final passage to bills on the Senate Calendar and the Consent Calendar before turning their attention to bills on General Orders.

S.F. 2433, authored by Sen. Don Betzold (DFL-Fridley), defines the crimes of sexual conduct in the third and fourth degrees to include persons who sexually penetrate vulnerable adults and who are agents of special transportation service providers. S.F. 3204, carried by Sen. Thomas Neuville (R-Northfield), specifies that a county agency is not required to provide income support or cash assistance when specified state programs fail to do so.

S.F. 2458, authored by Sen. Dallas Sams (DFL-Staples), prohibits presenting false information for purposes of background studies. S.F. 2783, sponsored by Sen. Linda Scheid (DFL-Brooklyn Park), regulates residual liability coverage under no-fault auto insurance.

S.F. 2970, authored by Sen. Leo Foley (DFL-Coon Rapids), requires motor vehicle collision repair to include air bag repair or replacement. S.F. 3026, carried by Sen. Steve Kelley (DFL-Hopkins), regulates the provision of interstate telemedicine services. S.F. 2403, sponsored by Sen. Linda Higgins (DFL-Mpls.), authorizes the Minneapolis Park and Recreation Board to lease a specific property for the repayment of certain state bond expenditures. S.F. 2739, carried by Sen. James Metzen (DFL-South St. Paul), is



Sen. Claire Robling (R-Prior Lake) addresses Chaska High School students as part of their tour of the Capitol Wed., Mar. 13.

Photo by David J. Oakes

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the omnibus liquor bill and creates new liquor licenses and modifies the minimum distance from state universities requirement.

S.F. 2516, sponsored by Sams, clarifies the definition of pastures for purposes of animal feedlot regulations. S.F. 2430, carried by Sen. Charles Wiger (DFL-North St. Paul), requests the U of M and MnSCU to complete a study allowing students to rent instructional materials. S.F. 3174, carried by Kelley, creates a small business category under the Money Transmitters Act. S.F. 2875, authored by Sen. Mee Moua (DFL-St. Paul), establishes an environmental sustainability policy. S.F. 2422, sponsored by Sen. Michelle Fischbach (R-Paynesville), regulates motor vehicle dealer transfers and clarifies the calculation of base value. S.F. 3256, authored by Stevens, modifies the limits on the sale of prepared foods at community events or farmers' markets. H.F. 1189, sponsored by Sen. Michele Bachmann (R-Stillwater), provides for the election of municipal council members after certain annexations.

S.F. 3168, carried by Stevens, provides for a bidding exception for certain water tank service contracts. H.F. 1620, sponsored by Sen. David Tomassoni (DFL-Chisholm), strengthens the effect of an orderly annexation agreement. S.F. 3133, also carried by Stevens, requires legislative approval before the commissioner of health adopts certain new or amended rules governing the Minnesota Clean Indoor Air Act. S.F. 3345, authored by Tomassoni, regulates certain credit scoring procedures. S.F. 3136, sponsored by Sen. Arlene Lesewski (R-Marshall), is the Dept. of Labor's workers compensation house-keeping bill and makes numerous technical changes. S.F. 3126, authored by Foley, makes technical changes in health care programs. S.F. 1072, carried by Sen. Bob Lessard (IND-Int'l. Falls), designates the photograph "Grace" as the state photograph. S.F. 2540, sponsored by Betzold, changes probate and power of appointment provisions.

Noncontroversial bills gain

Members also granted final passage to 12 noncontroversial bills on the Consent Calendar during the course of the Mon., Mar. 11, session.

H.F. 2987, sponsored by Sen. Douglas Johnson (DFL-Tower), authorizes Cook County to convey the Mineral Center

Cemetery to the Grand Portage Reservation. H.F. 3202, sponsored by Sen. Gen Olson (R-Minnetrista), increases the Delano Public Utilities Commission from three to five members. H.F. 2629, carried by Sen. Warren Limmer (R-Maple Grove), allows retired individual licensed by the Board of Architecture, Engineering, Land Surveying, Landscape Architecture, Geoscience and Interior Design to use a retired professional designation. H.F. 3309, carried by Sen. Cal Larson (R-Fergus Falls), modifies provisions of licensed beds on layaway status.

H.F. 2637, carried by Vickerman, provides for temporary township office-holders. H.F. 3344, sponsored by Sen. Richard Cohen (DFL-St. Paul), authorizes a combined jurisdiction program in the Second and Fourth Judicial Districts. S.F. 3288, authored by Kelley, extends the expiration of an interest arbitration provision governing firefighters. S.F. 3322, sponsored by Sen. Myron Orfield (DFL-Mpls.), allows the Metropolitan Council to sell temporarily excess sewer capacity to surrounding jurisdictions and modifies the depreciation rate when assuming ownership of existing facilities.

S.F. 2890, carried by Sen. David Knutson (R-Burnsville), regulates public works contracts. H.F. 3296, carried by Sen. John Marty (DFL-Roseville), shifts social security administrative duties from the Dept. of Employee Relations to the Public Employees Retirement Association. S.F. 3315, authored by Scheid, makes changes involving the Joint Underwriting Association's procedures. S.F. 3258, authored by Larson, provides for a land exchange with the city of Garfield.

Tuesday, March 12

Pledge bill debated

A bill mandating students and school district employees to recite the Pledge of Allegiance at least once a week received Senate consideration Tues., Mar. 12. The bill, H.F. 2598, allows staff and students to opt out of recitation. It also allows school boards to vote to exempt the entire district from the recitation requirement. Sponsored by Sen. Mady Reiter (R-Shoreview), the measure also requires districts to teach students about the history and care of the flag, as well as proper flag etiquette.

Sen. Douglas Johnson (DFL-Tower) offered an amendment requiring all flags sold in Minnesota to be made in the

United States. The amendment was ruled not germane.

An amendment, offered by Sen. Don Betzold (DFL-Fridley), requires districts to set aside time each week for civics education instead of a weekly Pledge recital. The amendment defines civics education as including discussion of patriotic songs, U.S. history, the Constitution and Declaration of Independence and current events.

Sen. Dan Stevens (R-Mora) said the amendment sets the curriculum for schools. Legislators should not be micro-managing school districts, he said. Sen. Sheila Kiscaden (R-Rochester) said the amendment lessens the primacy of the Pledge in the civics education program. She said the amendment is about talk, while the original bill involves action.

Sen. Richard Cohen (DFL-St. Paul) supported the Betzold amendment and said that the Pledge was written in 1892. "In visiting classrooms, I have noticed the paucity of teaching properly U.S. history, constitutional law and the documents that inspired the writers of the core American documents," Cohen said. He said he is surprised that students do not have a sense of what makes this country great. Why not actually make a difference in their understanding, he said, and require proper civics education.

Stevens said the Betzold amendment sanitizes the bill and may allow politically correct people to support the bill without offending others. While Americans have a freedom of speech, he said, there is no right not to be offended. "If saying the Pledge of Allegiance offends some people, that's too bad," he said.

Sen. Dave Kleis (R-St. Cloud) offered an amendment to the Betzold amendment. Kleis' amendment leaves intact the original bill and adds the civics education requirements onto the bill. Sen. Gen Olson (R-Minnetrista) said both amendments should be defeated because teachers have their hands full now with required curriculum elements. Sen. John Hottinger (DFL-Mankato) said loyalty cannot and should not be determined by one approach or one set of language. Supporting the basic freedoms granted by America is proof of loyalty, he said. The Kleis amendment is a compromise, Hottinger said, which is a tradition of both the Senate and the nation. The Kleis amendment to the amendment was adopted. The Betzold amendment was also adopted.

Senators Sandra Pappas (DFL-St. Paul) and Steve Kelley (DFL-Hopkins) said the bill raises serious constitutional issues because of the objections of some religious groups to the Pledge of Allegiance. Kelley read portions of a 1943 U.S. Supreme Court opinion holding a state law requiring recitation of the Pledge as unconstitutional. He said the reasoning of the Court in the case, decided at another time when the nation was under attack, is relevant now. Citizens also do not need the government to tell them what to do, Kelley said. Minnesotans, including students, automatically expressed their patriotism after last fall's terrorists attacks, he said.

Kelley offered an amendment allowing students to vote every fall about whether to have a regular Pledge recitation and how often such a recitation would occur. Reiter said the bill already allows school boards to make that choice. Stevens said some students are too young to understand their choices and make the decision. Kelley said that if students are

old enough to understand what they are saying by reciting the Pledge, then they are old enough to vote on the issue. The Kelley amendment failed, 14-47.

Sen. Steve Dille (R-Dassel) offered an amendment requiring school boards that initially opt out of the recitation requirement to review the policy every year. Sen. Deanna Wiener (DFL-Eagan) said the amendment unnecessarily politicizes the decision made by school boards. Once a board has made a decision on the issue, she said, the board should be able to keep it without annual review. The amendment failed, 30-32.

Sen. Mee Moua (DFL-St. Paul) said that members of some heritages have their patriotism questioned with their every action. She said that she and her son were attacked on the streets of St. Paul within days of the Sept. 11 attacks. There are negative consequences to individuals, no matter how American the persons may be, Moua said, merely because of their heritage. She said she fears that students will be targeted by their peers for not

participating in a recitation of the Pledge. Such retribution, Moua said, will not be in a classroom where a teacher can step in, but in a corner of the playground. Moua offered an amendment requiring teachers to read a statement saying that being excused from recitation is not un-American or unpatriotic. Reiter said the amendment will only draw more attention to students who opt out. Sen. Becky Lourey (DFL-Kerrick) said the amendment addresses many of her concerns about children of varying heritages being misunderstood by other students.

Dille said the statement is longer than the pledge itself and is too cumbersome to say each time the pledge is recited. Moua offered an amendment to her amendment that requires the statement be read quarterly. The amendment to the amendment was adopted and the amendment was approved 34-29.

Sen. Thomas Neuville (R-Northfield) made a motion to strike the Senate language and use the House version with the original language. "If this motion isn't



Lobbyists intently follow the outcome of a vote on an amendment to a Twins stadium bill on a television monitor just outside the Senate Chamber Wed., Mar. 13.

Photo by David J. Oakes

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adopted,” he said, “we won’t have a pledge bill this year. It won’t make it through conference committee.” Sen. Deanna Wiener (DFL-Eagan) said, “Let’s send this bill to the conference committee and make democracy work.” Neuville’s motion did not prevail on a 27-36 vote.

Sen. Michele Bachmann (R-Stillwater) offered an amendment containing the House language but making the measure effective beginning in the 2002-2003 school year. Sen. John Hottinger (DFL-Mankato) said, “Just to go back and adopt the language of the other body is not the way or the reason we work in the Senate.”

Sen. Don Betzold (DFL-Fridley) said the amendment was out of order because the Senate had just voted against Neuville’s motion, which also restored the original language. Sen. William Belanger (R-Bloomington), presiding over the Senate, decided the motion was in order. Sen. David Johnson (DFL-Bloomington) contested the motion. The Senate voted 34-30 to uphold the chair’s decision.

David Johnson then offered to amend Bachmann’s amendment by adding the requirement that a statement be read before the pledge, as had been approved in the Moua amendment. He then withdrew the amendment to work out the exact wording of the amendment.

Bachmann’s amendment failed on a 30-32 vote. Reiter then moved to progress her bill.

Bills gain

In other action, the Senate—acting as the Committee of the Whole—also gave preliminary passage to several bills on General Orders. S.F. 1226, carried by Sen. Dallas Sams (DFL-Staples), regulates no-fault auto insurance and basic economic loss benefits. Another Sams bill, S.F. 2692, modifies requirements for background studies, requires a review and report to the Legislature on the requirements, limits the authority of the commissioner of human services to set aside a disqualification, and modifies the list of disqualifying crimes. S.F. 3238, sponsored by Sen. Jane Ranum (DFL-Mpls.), provides options regarding the election of directors, voting rights, and meeting notice requirements for neighborhood organizations. H.F. 2899, carried by Sen. Ann Rest (DFL-New Hope), makes changes to the Livable Communities Act.

A bill authored by Sen. David Knutson (R-Burnsville), S.F. 2559,

authorizes the sale of unauthorized, impounded vehicles within 15 days of notice unless owner declares intent to reclaim. The bill extends authority already granted within the cities of Minneapolis and St. Paul to the entire Metropolitan Area. S.F. 2932, carried by Krentz, encourages citizen water quality monitoring. Sen. Don Samuelson (DFL-Brainerd) carried S.F. 2650, which modifies regulation of credit unions to grant state-chartered credit unions the same rights as federally chartered credit unions.

The Senate also granted final passage to bills on the Calendar. Bills on the Calendar were previously granted preliminary passage during the Mon., Mar. 11, session.

Wednesday, March 13

Final passage granted

In other floor activity, Wed., Mar. 13, the Senate passed seven measures on the Senate Calendar that address a variety of concerns. The first bill, authored by Sen. Dallas Sams (DFL-Staples), S.F. 1226, deals with no-fault auto insurance and medical benefits. The second measure, H.F. 2899, sponsored by Sen. Ann Rest (DFL-New Hope), clarifies the time limit for funding and adds definitions to livable communities provisions. S.F. 2650, presented by Sen. Don Samuelson, (DFL-Brainerd), modifies the regulation of credit unions.

Sen. Jane Ranum’s S.F. 3238, which passed, defines neighborhood organizations and outlines their activities. Sen. Jane Krentz presented a bill, S.F. 2932, that encourages citizen monitoring of water quality. S.F. 2692, authored by Sams, makes several changes to the background checks on individuals, modifies the list of disqualifying crimes and requests that the Supreme Court study and make recommendations about tracking civil actions for damages resulting from sexual abuse.

Streaming Videos Available

Two videos, “Discover the Capitol” and “Rules, Laws and Process,” can now be accessed through the Legislature’s website. These videos are excellent sources of information on the history of the Capitol and on how laws are made in Minnesota. For more information or to borrow a video tape of either program contact Senate Media Services at (651) 296-0264.

Floor action

Thursday, March 7

Bills granted preliminary passage on General Orders

S.F. 3073-Knutson: Clarifies the standard for a misdemeanor violation of an order for protection or no contact order.

S.F. 2612-Kleis: Authorizes private vehicles escorting funeral processions to use flashing red lights.

S.F. 3184-Tomassoni: Modifies provisions governing road inspections, first hauls, and weight allowances for commercial motor vehicles and requires a study of load restrictions and increases.

H.F. 2742-Betzold: Regulates contested case procedures.

S.F. 3115-Kelley: Regulates state energy savings contracts.

S.F. 3100-Berglin: Establishes approved tribal health professionals as Medical Assistance providers and requires an evaluation of managed care regional rate differences.

S.F. 2998-Lourey: Waives the written case presentation and oral examination component of the licensing requirements for certain alcohol and drug counselors.

H.F. 3190-Ranum: Requires the juvenile court to send data relating to juvenile petitions to the statewide supervision system.

S.F. 1555-Higgins: Provides a preemption of local regulation of fertilizers and plant foods used in agricultural production, regulates the use on turf of certain fertilizers containing phosphorus, provides for enforcement, and prohibits fertilizer applications to an impervious surface.

S.F. 3101-Samuelson: Provides certain conditions and exceptions for a new Class I rest area on State Highway No. 371 between Brainerd and Little Falls.

S.F. 3034-Robertson: Authorizes the Hennepin County Board to contract with a public or private cooperative purchasing organization subject to a condition.

S.F. 2752-Robertson: Provides for design-build contracts in Hennepin County and requires a report.

S.F. 2803-Robling: Requires child care providers to develop policies for reporting suspected child maltreatment and requires child care licenses to contain certain information.

S.F. 3015-Scheid: Establishes a division of insurance fraud prevention within the Department of Commerce to investigate and prosecute insurance fraud.

S.F. 2768-Lessard: Changes provisions in the Medical Assistance demonstration project and adds requirements for the prepaid Medical Assistance and prepaid general assistance medical programs.

S.F. 2769-Lessard: Allows Itasca, St. Louis and Koochiching Counties to increase or establish the per capita spending limit for promotion of tourist, agricultural, and industrial development and provides for distribution of proceeds from

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forfeited land sales.

S.F. 3108-Kiscaden: Amends data and licensing definitions.

S.F. 3204-Neuville: Specifies that a county agency is not required to provide income support or cash assistance when specified state programs fail to do so.

S.F. 1372-Betzold: Modifies provisions governing child maltreatment data.

Friday, March 8

Bills granted final passage on the Senate Calendar

S.F. 2419-Lesewski: Clarifies the use of portable wading pools at family day care settings. 52-4

H.F. 58-Betzold: Prescribing standards for identification of beer kegs. 60-0

S.F. 2580-Foley: Provides the drivers license revocation hearings do not give rise to an estoppel on any issues in criminal prosecutions. 62-0

S.F. 2568-Rest: Removes limitations on the Hennepin County Board's ability to lease real property. 63-0

S.F. 2572-Hottinger: Authorizes the establishment of a specific nonprofit corporation in Development Region Nine for specified purposes. 62-0

S.F. 2578-Wiener: Provides for client-directed county support programs. 63-0

S.F. 2953-Hottinger: Prohibits issuing or requiring excess insurance on property. 61-0

S.F. 1030-Wiger: Provides for a National Crime Prevention and Privacy Compact and provides for an electronic information sharing system between the federal government and the state to access criminal history data. 62-0

S.F. 2448-Betzold: Provides for disclosure by the Dept. of Public Safety of personal data related to the operation of a motor vehicle. 63-0

S.F. 2963-Rest: Transfers the duties of the state treasurer to the commissioner of finance. 54-8

S.F. 2795-Marty: Creates standing to seek sanction in human rights actions and adds sanctions that may be imposed. 62-1

S.F. 2680-Limmer: Adds a members to the Construction Codes Advisory Council and provides for adoption of a new energy code. 64-0

S.F. 2533-Foley: Authorizes counties to collect room, board, and other related correctional expenses for offenders who been convicted of a crime and confined in a county jail. 64-0

S.F. 3080-Rest: Modifies provisions relating to preneed funeral trust accounts. 64-0

S.F. 3147-Orfield: Modifies the statewide affirmative action program. 62-2

S.F. 2638-Foley: Provides that whoever employs runners to procure clients under circumstances involving motor vehicle insurance is guilty of a felony. 62-0

S.F. 3117-Metzen: Provides for the transfer or disposal of sewer interceptor facilities. 63-0

S.F. 3124-Foley: Modifies nursing home reimbursement classifications and clarifies minimum nursing staff requirements. 65-0

S.F. 2960-Johnson, Debbie: Requires that employers allow unpaid leave for employees to

perform volunteer firefighter duties. 65-0

S.F. 3084-Rest: Modifies state and local auditing procedures and reporting practices. 66-0

S.F. 2949-Betzold: Expands what is considered to be public criminal history data, modifies procedures for background checks and authorizes criminal history checks for liquor license applicants. 66-0

S.F. 3231-Betzold: Provides that nondesignated addresses on agricultural license applications are not public data. 65-0

S.F. 2357-Solon, Y.P.: Adds an exception to housing and redevelopment authority officers conflict of interest provisions. 66-0

S.F. 331-Berglin: Removes the cost of obtaining health records when applying for a disability benefits program. 65-0

S.F. 3145-Foley: Revises the Minnesota Code of Military Justice. 66-0

S.F. 3167-Betzold: Provides access to data for purposes of the commissioner's preliminary determination whether a petition of civil commitment as a sexual psychopathic personality or sexually dangerous person is appropriate. 66-0

H.F. 2742-Betzold: Regulates contested case procedures. 66-0

S.F. 2768-Lessard: Changes provisions in the Medical Assistance demonstration project and adds requirements for the prepaid Medical Assistance and prepaid General Assistance Medical programs. 66-0

S.F. 3101-Samuelson: Provides conditions and exceptions for a new class I rest area on State Highway No. 371 between Brainerd and Little Falls. 66-0

H.F. 3190-Ranum: Requires the Juvenile Court to send data relating to juvenile petitions to the statewide supervision system. 66-0

S.F. 2769-Lessard: Increases or establishes the per capita spending limit for promotion of tourist, agricultural, and industrial development in Itasca, St. Louis and Koochiching Counties. 63-0

S.F. 3100-Berglin: Establishes approved tribal health professions as Medical Assistance providers and provides for reimbursement for certain health services. 65-0

S.F. 2752-Robertson: Provides for design-build contracts in Hennepin County and requires a report. 64-1

S.F. 3073-Knutson: Clarifies the standard for a misdemeanor violation of an order for protection or no contact order. 66-0

S.F. 3184-Tomassoni: Modifies provisions governing road inspections, first hauls and weight allowances for commercial motor vehicles. 63-2

S.F. 3115-Kelley: Regulates state energy saving contracts. 66-0

S.F. 3015-Scheid: Establishes a Division of Insurance Fraud Prevention with the Dept. of Commerce to investigate and prosecute insurance fraud. 66-0

S.F. 2612-Kleis: Authorizes private vehicles escorting funeral processions to use flashing red lights. 64-2

S.F. 1555-Higgins: Regulates the use on lawns in the Metro Area of fertilizers containing phosphorus and prohibits fertilizer applications

to an impervious surface. 64-1

S.F. 3034-Robertson: Authorizes Hennepin County to have certain contracting with a public or private cooperative purchasing organization subject to a condition. 66-0

S.F. 2998-Lourey: Waiving the written case presentation and oral examination component of the licensing requirements for certain alcohol and drug counselors. 66-0

S.F. 3108-Kiscaden: Amends data and licensing definitions. 66-0

S.F. 1372-Betzold: Modifies provisions governing child maltreatment data. 66-0

Bills granted preliminary passage on General Orders

S.F. 3256-Stevens: Modifies limits on the sale of prepared foods at community events or farmers' markets.

S.F. 2875-Moua: Establishing an environmental sustainability policy.

H.F. 1189-Bachmann: Provides for the election of municipal council members after certain annexations.

S.F. 3293-Chaudhary: Transfers three state highways and vacates one state highway.

S.F. 3168-Stevens: Provides for a bidding exception for certain water tank service contracts.

H.F. 1620-Tomassoni: Strengthens the effect of an orderly annexation agreement.

S.F. 3133-Stevens: Requires legislative approval before the commissioner of health adopts certain new or amended rules governing the Minnesota Clean Indoor Air Act.

S.F. 2430-Wiger: Requests the University of Minnesota and Minnesota State Colleges and Universities to complete a study allowing students to rent instructional materials.

S.F. 3126-Foley: Makes technical changes in health care programs.

S.F. 1072-Lessard: Designates the photograph "Grace" as the state photograph.

S.F. 2540-Betzold: Changes certain probate and power of appointment provisions.

S.F. 2458-Sams: Prohibits presenting false information for purposes of background studies and prohibits entities from employing individuals under certain circumstances.

S.F. 2422-Fischbach: Regulates automobile dealer transfers.

S.F. 3345-Tomassoni: Regulates certain credit scoring procedures.

S.F. 3026-Kelley: Regulates the provisions of interstate telemedicine services.

S.F. 3136-Lesewski: Dept. of Labor workers compensation housekeeping bill.

S.F. 3174-Kelley: Creates a small business category under the Money Transmitter Act.

H.F. 2783-Scheid: Regulates residual liability in no-fault auto insurance.

S.F. 2970-Foley: Requires motor vehicle collision repair to include air bag repair or replacement.

S.F. 2516-Sams: Clarifies the definition of pastures for the purpose of animal feedlot regulation.

S.F. 2739-Metzen: Omnibus liquor bill. Creates

Floor action

new liquor licenses and modifies minimum distance from specified state universities.

S.F. 2403-Higgins: Authorizes the Minneapolis Park and Recreation Board to lease certain property for the repayment of certain state bond expenditures.

Monday, March 11

Bills granted final passage on the Senate Calendar

S.F. 2433-Betzold: Defines the crimes of sexual conduct in the third and fourth degrees to include persons who sexually penetrate vulnerable adults and who are agents of special transportation service providers. 59-0

S.F. 3204-Neuville: Specifies that a county agency is not required to provide income support or cash assistance when specified state programs fail to do so. 59-0

S.F. 2458-Sams: Prohibits presenting false information for purposes of background studies and prohibits certain entities from employing individuals under certain circumstances. 61-0

H.F. 2783-Scheid: Regulates residual liability coverage under no-fault auto insurance. 61-0

S.F. 2970-Foley: Requires motor vehicle collision repair to include air bag repair or replacement and provides penalties. 62-0

S.F. 3026-Kelley: Regulates the provision of interstate telemedicine services. 62-0

S.F. 2403-Higgins: Authorizes the Minneapolis Park and Recreation Board to lease certain property for the repayment of certain state bond expenditures. 62-0

S.F. 2739-Metzen: Omnibus liquor bill. Creates new liquor licenses and modifies minimum distance from specified state universities. 53-9

S.F. 2516-Sams: Clarifies the definition of pastures for purposes of animal feedlot regulations. 61-0

S.F. 2430-Wiger: Requests the University of Minnesota and Minnesota State Colleges and Universities to complete a study allowing students to rent instructional materials. 62-0

S.F. 3174-Kelley: Creates a small business category under the Money Transmitter Act and modifies regulations. 63-0

S.F. 2875-Moua: Establishes an environmental sustainability policy. 59-4

S.F. 2422-Fischbach: Regulates motor vehicle dealer transfers and clarifies the calculation of base value. 62-0

S.F. 3256-Stevens: Modifies the limits on the sale of prepared foods at community events or farmers' markets. 63-0

H.F. 1189-Bachmann: Provides for the election of municipal council members after certain annexations. 63-0

S.F. 3168-Stevens: Provides for a bidding exception for certain water tank service contracts and authorizes an agreement for the city of Walker to maintain and operate the state's water tower at Ah-Gwah-Ching. 61-2

H.F. 1620-Tomassoni: Strengthening the effect of an orderly annexation agreement. 63-0

S.F. 3133-Stevens: Requires legislative approval before the commissioner of health adopts certain

new or amended rules governing the Minnesota Clean Indoor Air Act. 51-12

S.F. 3345-Tomassoni: Regulates certain credit scoring procedures. 63-0

S.F. 3136-Lesewski: Workers compensation housekeeping bill. 62-0

S.F. 3126-Foley: Makes technical changes in health care programs. 63-0

S.F. 1072-Lessard: Designates the photograph "Grace" as the state photograph. 51-12

S.F. 2540-Betzold: Changes certain probate and power of appointment provisions. 62-0

Bills granted final passage on the Consent Calendar

H.F. 2987-Johnson, Douglas: Authorizes Cook County to convey the Mineral Center cemetery to the Grand Portage Reservation. 64-0

H.F. 3202-Olson: Increase the Delano Public Utilities Commission from three to five members. 64-0

H.F. 2629-Limmer: Allows retired individuals licensed by the Board of Architecture, Engineering, Land Surveying, Landscape Architecture, Geoscience and Interior Design to use a retired professional designation. 64-0

H.F. 3309-Larson: Modifies provisions of licensed beds on layaway status. 64-0

H.F. 2637-Vickerman: Provides for temporary township officeholders. 63-0

H.F. 3344-Cohen: Authorizes a combined jurisdiction program in the Second and Fourth Judicial Districts. 64-0

S.F. 3288-Kelley: Extends the expiration of an interest arbitration provision governing firefighters. 64-0

S.F. 3322-Orfield: Allows the Metropolitan Council to sell temporarily excess sewer capacity to surrounding jurisdictions and modifies the depreciation rate when assuming ownership of existing facilities. 63-0

S.F. 2890-Knutson: Regulates public works contracts. 63-0

H.F. 3296-Marty: Shifts social security administrative duties from the Dept. of Employee Relations to the Public Employees Retirement Association. 63-0

S.F. 3315-Scheid: Makes changes involving the Joint Underwriting Association's procedures. 63-0

S.F. 3258-Larson: Provides for a land exchange with the city of Garfield. 63-0

Bills granted preliminary passage on

General Orders

S.F. 3380-Knutson: Modifies provisions governing postnuptial contracts.

S.F. 2460-Kleis: Provides criminal penalties for persons who promote, advocate, and take responsibility for criminal acts and imposes special civil liability for destruction of field crop products, animals and organisms.

S.F. 2627-Kiscaden: Requires optometrists and ophthalmologist to give patients copies of the prescriptions for contact lenses.

S.F. 2988-Metzen: Omnibus banking bill that regulates detached facilities, regulates charges

and fees and regulates mortgage prepayment penalties.

S.F. 3086-Sabo: Provides for the effect of a recognition of paternity upon temporary custody and provides a presumption concerning an order of protection.

S.F. 2492-Johnson, David: Provides extra unemployment benefits for workers laid off from the airlines and related industries.

S.F. 222-Krentz: Establishes a gross misdemeanor penalty for gross overlimit violations of fish and game laws, sets restitution values and provides criminal penalties.

S.F. 3059-Higgins: Modifies the requirements for youth employment involvement in certain construction projects paid for with grant funds.

S.F. 2678-Higgins: Makes technical changes and clarifications in provisions relating to the Dept. of Natural Resources.

S.F. 3286-Johnson, David: Requires a registered putative father to serve notice of a paternity action on an interested party.

S.F. 2989-Johnson, David: Omnibus Dept. of Corrections housekeeping bill. Clarifies mandatory sentences for driving while impaired offenders, enhances offender accountability by requiring offender co-payment of certain sex offender treatment fees and authorizes an independent, contracted, board-certified forensic pathologist to sign the record of death on department incarcerated deaths.

S.F. 2611-Ranum: Adopts a new compact for Interstate Adult Supervision and creates an Advisory Council on Interstate Adult Offender Supervision.

S.F. 2957-Samuelsen: Requires reporting of practice act violations to the Board of Dentistry.

S.F. 2463-Anderson: Provides limits on overtime for nurses and provides remedies.

H.F. 2612-Scheid: Revises circumstances in which the signature of a licensed architect, licensed engineer, licensed land surveyor, licensed landscape architect, licensed geoscientist or certified interior designer is required.

S.F. 3024-Scheid: Regulates continuing education and license requirements for real estate licensees, regulates the contractor's recovery fund and provides for the adoption and amendment of uniform conveyancing forms.

Conference committee reports adopted and repassed

S.F. 1495-Murphy: Requiring the use of biodiesel fuel. 53-11

Tuesday, March 12

Bills granted final passage on the Senate Calendar

H.F. 2531-Berglin: Regulates hospice care providers. 57-0

H.F. 2813-Robling: Requires child care providers to develop policies for reporting suspected child maltreatment. 58-0

S.F. 3293-Chaudhary: Transfers three state highways and vacates one state highway. 58-0

S.F. 2492-Johnson, David: Provides extra

unemployment benefits for certain workers laid off from Fingerhut Companies, Inc., Farmland Foods Company, and airline and airline-related industries. 60-0

S.F. 2463-Anderson: Regulates overtime for nurses and allows reciprocity for border state nursing licensees. 62-0

S.F. 222-Krentz: Establishes a gross misdemeanor penalty for gross overlimit violations of fish and game laws, sets restitution values and provides criminal penalties. 61-0

H.F. 2612-Scheid: Revises circumstances in which the signature of a licensed architect, licensed engineer, licensed land surveyor, licensed landscape architect, licensed geoscientist, or certified interior designer is required. 60-0

S.F. 2989-Johnson, David: Omnibus Dept. of Corrections housekeeping bill. Clarifies mandatory sentences for driving while impaired offenders, enhances offender accountability by requiring offender co-payment of certain sex offender treatment fees and authorizes an independent, contracted, board-certified forensic pathologist to sign the record of death on department incarcerated deaths. 61-0

S.F. 3059-Higgins: Modifies the requirements for youth employment involvement in certain construction projects paid for with grant funds. 62-1

S.F. 2678-Higgins: Makes technical changes and clarifications in provisions relating to the Dept. of Natural Resources. 63-0

S.F. 2611-Ranum: Adopts a new compact for Interstate Adult Offender Supervision and creates an Advisory Council on Interstate Adult Offender Supervision. 63-0

S.F. 2957-Samuels: Requires reporting of practice act violations to the Board of Dentistry. 62-0

S.F. 3286-Johnson, David: Requires a registered putative father to serve notice of a paternity action on an interested party. 62-0

S.F. 2460-Kleis: Provides criminal penalties for persons who promote, advocate, and take responsibility for criminal acts and imposes special civil liability for destruction of field crop products, animals and organisms. 61-1

S.F. 3380-Knutson: Modifies provisions governing postnuptial contracts. 63-0

S.F. 3086-Sabo: Provides for the effect of a recognition of paternity upon temporary custody and provides a presumption concerning an order of protection. 63-0

S.F. 2627-Kiscaden: Requires optometrists and ophthalmologists to give patients copies of their prescriptions for contact lenses. 63-0

S.F. 3024-Scheid: Regulates continuing education and license requirements for real estate licensees, regulates the contractor's recovery fund and provides for the adoption and amendment of uniform conveyancing forms. 63-0

S.F. 2988-Metzen: Omnibus banking bill. Regulates detached facilities, regulates charges and fees and regulates mortgage prepayment penalties. 64-0

Bills granted preliminary passage on

General Orders

S.F. 1226-Sams: Regulates no-fault auto insurance and basic economic loss benefits.

S.F. 2692-Sams: Modifies requirements for background studies, requires a review and report to the Legislature on these requirements, limits the authority of the commissioner of human services to set aside a disqualification, and modifies the list of disqualifying crimes.

S.F. 3238-Ranum: Provides options regarding the election of directors, voting rights, and meeting notice requirements for neighborhood organizations.

H.F. 2899-Rest: Makes changes to the livable community provisions.

S.F. 2559-Knutson: Authorizes the sale of unauthorized, impounded vehicles within 15 days of notice unless owner declares intent to reclaim for vehicles in the Metropolitan Area.

S.F. 2932-Krentz: Encourages citizen water quality monitoring.

S.F. 2650-Samuels: Modifies regulation of credit unions.

Wednesday, March 13

Bills granted final passage on the Senate Calendar

S.F. 1226-Sams: Regulates no-fault auto insurance and basic economic loss benefits. 61-0

H.F. 2899-Rest: Makes changes to the livable community provisions. 62-0

S.F. 2650-Samuels: Modifies regulation of credit unions. 58-4. Reconsidered. Repassed 46-16

S.F. 3238-Ranum: Provides options regarding the election of directors, voting rights, and meeting notice requirements for neighborhood organizations. 58-4

S.F. 2559-Knutson: Authorizes the sale of unauthorized, impounded vehicles within 15 days of notice unless owner declares intent to reclaim for vehicles impounded in the Metropolitan Area. 58-2

S.F. 2932-Krentz: Encourages citizen water quality monitoring. 62-0

S.F. 2692-Sams: Modifies requirements for background studies, requires a review and report to the Legislature on these requirements, limits the authority of the commissioner of human services to set aside a disqualification, and modifies the list of disqualifying crimes. 63-0

Bills granted final passage on Special Orders

S.F. 1857-Johnson, Dean: Provides for financing a major league baseball park, provides for the issuance of bonds, imposes taxes and fees, provides for property and sales tax exemptions and authorizes local taxes by referendum. 37-30

Thursday, March 14

Bills granted final passage on Special Orders

S.F. 2459-Sams: Modifies requirements for

supplemental nursing services agencies. 53-0

S.F. 3055-Betzold: Clarifies the jurisdiction of the metropolitan transit police, removes a restriction on the employment of metropolitan transit police officers on a part-time basis, and authorizes metropolitan transit police officers to apply for and execute search warrants. 61-0

S.F. 2550-Berglin: Modifies consent requirements for billing Medical Assistance and MinnesotaCare for covered individual education plan services. 57-0

H.F. 3584-Knutson: Changes the formula for certain calculations. 57-0

H.F. 2792-Price: Provides for recycling of certain appliances and provides indemnification of municipalities participating in household hazardous waste programs. 58-0

S.F. 3172-Knutson: Requires a ten-year conditional release period when a person has a previous sex offense conviction regardless of the state in which it occurred, makes it a ten-year felony when a person commits certain prohibited acts when the act is committed with sexual or aggressive intent, defines aggravated harassing conduct to include acts of criminal sexual conduct as predicate offenses for a pattern of harassing conduct and prescribes penalties. 63-0

H.F. 2766-Hottinger: Removes an expiration date relating to motor vehicle fuel franchises. 57-0

S.F. 2115-Oliver: Regulates dealers and clarifies licensed motor vehicle dealer bonding requirements. 56-0

S.F. 2457-Berglin: Conforms certain standards, authorizes the court to commit certain persons with mental illnesses to community hospitals, and requires the commissioner of human services to provide a report to the Legislature on the mental health system. 57-4

S.F. 3352-Lessard: Amends provisions of the Dry Cleaner Environmental Response and Reimbursement Law. 64-0

S.F. 2546-Fischbach: Permits the cities of Rockville and Pleasant Lake and the town of Rockville to jointly develop a consolidation plan, and requires a hearing, approval by the governing bodies, and referendum. 66-0

S.F. 2933-Kinkel: Allows installation of certain individual sewage treatment systems. 63-0

H.F. 2884-Murphy: Modifies imposition of civil fine for excessive gross weight. 63-0

H.F. 3274-Murphy: Provides certain protections to persons called or ordered to active service. 62-0

H.F. 2796-Higgins: Authorizes the city of Minneapolis to construct a new asphalt plant as part of a joint venture with a private enterprise and requires local approval. 64-0

S.F. 2614-Kiscaden: Requires disclosure of an individual's communicable disease to a foster care provider.

S.F. 2363-Johnson, David: Limits the use of credit scoring information for insurance purposes. 65-0

H.F. 3189-Johnson, David: Defines street-sweeping vehicles as special mobile equipment for vehicle registration purposes. 63-1

H.F. 2570-Metzen: Provides that automobile insurance may cover damage to automotive glass

Preview

on the same basis as damage to other parts of an automobile. 63-0

S.F. 3054-Tomassoni: Modifies provisions relating to petrofund contractors and consultants and modifies application requirements for certain petrofund reimbursements. 64-0

S.F. 2727-Samuels: Department of Natural Resources lands bill. Modifies land acquisition procedures, modifies certain local planning regulations, adds to and deletes from certain state parks and state recreation areas, establishes the Cuyuna Lakes State Trail, restricts the taking of fish on certain waters, authorizes public and private sales of certain state land in Big Stone, Douglas, Kandiyohi, Itasca, Meeker, Morrison, Scott, Sherburne, and Winona Counties. 64-0

S.F. 2764-Marty: Modifies standards for reporting incidents in licensed programs serving persons with mental retardation or related conditions. 64-0

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Monday, March 18

Legislative Commission on Metropolitan Government

Chair: Sen. Ann Rest

8 a.m. Room 112 Capitol

Agenda: Blueprint 2030.

Rules and Administration Committee

Chair: Sen. Roger D. Moe

8:30 a.m. Room 107 Capitol

Agenda: Susan Stevens Chambers and Clyde Miller - Appointees to the Campaign Finance and Public Disclosure Board. S.F. 2950-Scheid: Election judges appointment authority expansion. S.F. 2672-Tomassoni: Minnesota Economic, Environmental and Energy Security Act of 2002 - pursuant to joint rule 2.03. Other.

Legislative Coordinating Commission Subcommittee on Employee Relations

Chair: Rep. Carol Molnau

9 a.m. Room 300 S State Office Building

Agenda: Review/approve Managerial Plan. Review/approve Commissioners' Plan. Update on collective bargaining. Review/recommend salary cap waiver for Rochester Public Utilities manager.

The Senate will be in session at 10 a.m.

Environment and Natural Resources Committee

Chair: Sen. Jane Krentz

4 p.m. Room 107 Capitol

Agenda: Discussion of state policy regarding the use of off highway and all terrain vehicles.

Tuesday, March 19

The Senate will be in session at 9 a.m.

Finance Committee

Chair: Sen. Douglas J. Johnson

3 p.m. Room 123 Capitol

Agenda: To be announced.

Wednesday, March 20

The Senate will be in session at 9 a.m.

Thursday, March 21

The Senate will be in session at 9 a.m.

Friday, March 22

The Senate will be in session at 9 a.m.

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Senate Briefly

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As the 2002 session winds down, the Senate Tax Committee meets to hammer out the details of the Senate tax bill. Photo by David J. Oakes



March 22, 2002

Senate Highlights

Senate Briefly on hiatus

The next edition of Senate Briefly will be a combined March 29 - April 5 edition. In an effort to cut costs, yet adequately report on Senate activities, it is necessary to combine two weeks coverage. This issue of Senate Briefly contains coverage of activities through the floor session Thurs., Mar. 22. In addition, this issue of Senate Briefly does not contain a schedule for the week of Mar. 25- 29, because it is expected that most action will be either in daily floor sessions or conference committees. At press time, no meeting notices were available.

Transportation funding approved

Members approved a landmark Transportation funding bill during the floor session Thurs., Mar. 21.

"One of the top issues I hear from my constituents is that we need to fix the roads," said Sen. Dean Johnson (DFL-Willmar), sponsor of S.F. 2812. "This bill will inject more resources into the state's transportation system," he said.

The funding proposal provides about \$5 billion over the next 10 years to fund both highway improvements and transit throughout the state.

Johnson addressed concerns by stating the bill does not tamper with tab registration fees, although he added the lower tab fees result in a loss of \$175 million in annual revenue to the highway user fund.

Johnson said the bill has four main funding issues. The bill provides for \$100 million annually for 10 years in trunk highway bonds. It also authorizes a referendum in the 11-county Metropolitan Area regarding a 0.5 cent sales tax increase, which, if approved will be distributed 75 percent for highways and 25 percent for transit. The third aspect of the bill, said Johnson, is the distribution formula for county and state aid highways funding, in which 10 percent is divided equally amongst all 87 counties in the state, 10 percent based on lane miles, 30 percent based on population, and 50 percent based on need. The last item is a 6 cent per gallon gasoline tax increase, of which 4 cents is for highways and bridges and two cents for a multimodal fund. The multimodal fund is further split 60 percent for the Metropolitan Council and 40 percent for the Department of Transportation (MnDOT).

Johnson emphasized that all gas tax revenue is constitutionally dedicated for transportation purposes. "The extra money

you spend on gasoline tax is going to fix the roads, not to the general fund," he said.

Sen. Claire Robling (R-Prior Lake) said that while she supports a higher gas tax and wishes she could vote for passage, she opposed the bill because it asks for too much. "A six cent gas tax is a little high, and only 4 cents is for roads," she said. "If we are going to pay 6 cents, we should get 6 cents worth of improvement." Robling also objected to the \$64 million the Metropolitan Council will receive to pursue such projects as light rail without seeking further legislative approval. She also disagreed with the distribution formula for the county and state highway funding because she said the population based allocation is too low for the desperate needs of the Metro Area.

Several Senators spoke in favor of the bill, including Sen. Roy Terwilliger (R-Edina) and Sen. Mark Ourada (R-Buffalo). Terwilliger said the bill represents a multifaceted approach to meeting transportation and transit needs in the state.

S.F. 2812 was granted final passage on a 39-26 roll call vote.

Anti-terrorism package approved

Sen. Jane Ranum (DFL-Mpls.) carried S.F. 2683, which enacts various anti-terrorism measures. The measure establishes penalties for individuals who commit acts of terrorism, promote certain criminal acts, take responsibility for certain criminal acts, aid others who commit acts of terrorism or give false information regarding acts of terrorism. The bill also establishes penalties regarding the use of biological agents, toxic chemicals, toxins and radioactive materials.

S.F. 2683 includes several revenue raising proposals. The bill changes the 9-1-1 service fee assessed to customers from 27 cents each month to no less than 8 cents and no more than 52 cents each month. The change is expected to generate \$17.7 million per year. The money is used to meet the current 9-1-1 service needs, to upgrade technology at Public Safety Answering Points (PSAPS), for the Metropolitan Radio Board to leverage bonds, for each Medical Resource Communication Center (MRCC) and to link all PSAPS in the state with fire departments.

The measure authorizes the Metropolitan Council, on behalf of the Metropolitan Radio Board, to issue up to \$60

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million in revenue bonds. The funds are to be used to finance the completion of the Minnesota Public Safety Radio System in the Metropolitan Area, the initial phase of statewide expansion of the system to the Rochester and St. Cloud regions and to assist counties and cities that shared in the cost of the initial infrastructure of the system to recover some of their investment.

The proposal also allows grants for training and equipment to be awarded to state agencies and local units of government for emergency preparedness purposes. The bill also includes provisions related to emergency waste and debris management and disposal, embargos on a specific geographical area and a quarantine zone of control.

"I think this is a bill that Minnesotans can be proud of, and I hope we will pass it with strong bipartisan support," said Ranum.

Ranum said the 9-1-1 provisions upgrade technology and service. One important upgrade, she said, is to obtain technology to locate cellular telephone users when they call.

"People believe if they are on a cellular phone, if they call 9-1-1, the person on the other end of the line is going to know where they are," she said. "But that is just something that people think—it is not something that is going on in reality."

Ranum also said the bill upgrades communications for emergency situations. She pointed to an article from the New York Times that said many firefighters died because there was no reliable radio communication with them. According to the article, a messenger was sent across the city warning officials at the World Trade Center that the buildings were "near imminent collapse." However, the messenger arrived less than one minute before the first tower fell.

"There were many firefighters in the towers, and they made the ultimate sacrifice because people couldn't get to them," Ranum said.

Sen. Grace Schwab (R-Albert Lea) offered an amendment creating a new license plate. The license plate reads "United We Stand." Proceeds from the plate go to the anti-terrorism account established by the bill, half of which is for emergency preparedness training and equipment grants and half of which is transferred to the United States Depart-

ment of State Rewards for Justice Fund. Schwab said the bill raises approximately \$1.2 million.

"This is an opportunity for people to be proactive and to prevent terrorism," Schwab said.

Several Senators asked why half the money raised should go to a federal program. As a result, Sen. Dennis Frederickson (R-New Ulm) offered an amendment to eliminate the State Department language.

Frederickson's amendment was adopted, as was Schwab's amendment.

Sen. Dave Kleis (R-St. Cloud) presented an amendment to make it a felony, punishable by up to 20 years in prison and by a fine of up to \$100,000, to place an explosive device. The amendment also establishes a penalty of up to 10 years in prison and a fine of up to \$20,000 for those who plant a fake explosive device.

Ranum said the amendment doesn't belong in the bill because the bill is not attempting to deal with penalties for non-terrorism related incidents. She also said the amendment appears to limit the penalty to just 20 years when some provisions for such acts in current law may allow prison time of more than 20 years. She said it is an issue that should have been brought up in the Crime Prevention Committee. However, the amendment was adopted.

Sen. Sheila Kiscaden (R-Rochester) offered an amendment specifying that extending the backbone system of the statewide public safety radio communication system to serve all of the Southeast district of the state patrol and to serve the counties of Stearns, Sherburne, Benton and Wright be the second phase of extension instead of the third phase.

The amendment, however, was not adopted.

Sen. Warren Limmer (R-Maple Grove) offered an amendment to fund the bill by using \$79 million from the tobacco endowment.

However, Sen. Linda Berglin (DFL-Mpls.) successfully argued against the proposal.

Berglin said the tobacco endowment funds are being used successfully to prevent youth smoking. The amendment failed on a 20-47 roll call vote.

Members also rejected several additional amendments before granted final passage to the bill 66-0.

Do not call bill okayed

The Dept. of Commerce is required to keep a list of customers who request not to receive telephone solicitations and businesses are prohibited from calling customers on the list, under S.F.3246, which the Senate also heard during the floor session Thurs., Mar. 21.

Sen. Richard Cohen (DFL-St. Paul) said the bill, which requires businesses to buy the "do not call" list, puts the burden on companies that conduct telemarketing.

Sen. John Marty (DFL-Roseville) said, "There are provisions in the bill that create significant loop holes." He offered an amendment, which was adopted, that prohibits phone calls dialed automatically to businesses or persons with which the solicitor has a prior relationship.

Three other amendments, he said addressed loopholes, were not adopted. The first prohibits phone calls in which the sales transaction must be completed in person, which is allowed under the bill.

The second limits the exemption provided for nonprofit organizations' solicitations to those sales done only on behalf of the organization.

Sen. Bob Kierlin (R-Winona) said businesses might try to use nonprofit organizations as a front in order to conduct telemarketing.

The third change Marty offered extended the length of time a name is kept on the "do not call" list from two years to six years. "We are going to have a lot of angry people calling the department two years from now saying, 'Why am I not on the list?'" He said it will take 90 days for names submitted on the list to stop receiving calls.

Cohen said, "Given the mobility of our population today, two years is not unreasonable." He said extending the period would make the list inaccurate and more likely to be out of date.

Sen. Jane Krentz (DFL-May Township) offered to amend the period of time a name is kept on the list to four years, when the amendment to extend it to six years failed.

Her amendment was adopted.

Sen. Linda Scheid (DFL-Brooklyn Park) said the bill will not stop telemarketing, but would hurt telemarketing employees. "A lot of people support themselves and their families making cold calls," she said.

The Senate gave the bill final passage on a 65-1 roll call vote.

Committee update

Environment and Natural Resources

ATVs discussed

Committee Chair Jane Krentz (DFL-May Township) convened a meeting of the Environment and Natural Resources Committee Mon., Mar. 18 to address all terrain vehicle (ATV) use on public lands.

Steve Morse, deputy commissioner of the Dept. of Natural Resources (DNR), said there are 30,000 new ATV users in Minnesota each year. The growth, he said, is making an impact on public lands, where their use is virtually unrestricted. For the past three years, Morse said, ATV cross country travel has been permitted on all forest lands in the state.

"ATVs should be managed on a system of trails," he said, "but this is not where we are today." Morse said constructing a viable trail system requires more than just putting up signs and designating areas. Instead, he said, each trail project must be reviewed for environmental impacts. He said the DNR has been sued for not studying the effects of trails on the environment.

Jerry Leverington, who lives near the Spider Lake Recreation Area, said local people have been pushed out of the forest by rude riders and constant noise. "The DNR promotes a 'dig it up and tear it up' attitude by allowing scramble areas and mud pits," he said.

"It's an unsettling experience to go out in the woods and have the peace and quiet shattered by thoughtless individuals," said Jamie Juenemann, director of Minnesotans for Responsible Recreation.

Sonia Bartz, president of the ATV Association of Minnesota, said the organization supports limiting ATV use to trails and conducting environmental impact studies. However, she said, ATV users are not the only source of degradation in public lands. "We need to be concerned not just with ATV users, but with everybody," she said. Bartz also said ATV users do not expect taxpayers to cover the cost of ATV trails, but want the projects to be funded through user fees.

Krentz said that user fees do not pay for the trails on county lands. "I'm not anti-ATV," she said, "but I am anti-destroying natural resources."

The committee members discussed the provisions in a bill, authored by Sen. John Hottinger (DFL-Mankato), that addresses

ATV use on public lands. Under the measure, S.F. 1831, off-road vehicles must be registered and the money collected from registrations be spent on trail development and monitoring. The bill also creates a hotline for complaints against ATVs and other off-road vehicles. The measure also repeals the section of law that allows vehicle use on public lands. Because deadlines for committee action have passed, no action was taken on the bill.

"How much damage are we going to permit before we make ATV trails?" Hottinger asked. "It's open season on public lands," he said. "We need something to control the damage while we get the trails and enforcement in place," he said.

Dave Zettner, from the Izaak Walton League in Duluth, said the DNR had not taken leadership in protecting public land from destruction from ATV use. He said the state should consider limiting ATV use to restricted seasons and closing trails that are wet.

Finance

MFIP extension debated

Members of the Finance Committee, chaired by Sen. Douglas Johnson (DFL-Tower), met Fri., Mar. 15, to discuss S.F. 3099. The bill, carried by Sen. Linda Berglin (DFL-Mpls.), contains a number of provisions related to human services and Temporary Assistance to Needy Families (TANF).

The bill is long and mostly technical, so members limited their discussion to just two provisions. One provision grants to the Minnesota Department of Human Services and Department of Health, as well as other agencies under the departments, exemptions to the state hiring freeze and reduction on contract expenditures specified in the recently passed budget bill. The other provision establishes a moratorium on the 60-month time limit for eligibility to receive Minnesota Family Investment Plan (MFIP) assistance. The moratorium provision expires June 30, 2004. The assistance provision also expands those eligible to receive hardship extensions to include individuals designated as hard to employ because they are victims of family violence and are participating in an alternative employment plan. The measure also expands those eligible to receive hardship extensions to individuals who are

employed if they belong to an assistance unit, work less than 30 hours per week and are limited in the number of hours they may work because of an illness or disability. The measure gives the extension to individuals receiving Temporary Assistance to Needy Families (TANF) funds under certain conditions as well.

Johnson said that the section granting the Departments of Human Services and Health the hiring freeze and contract exemptions should be taken out of the bill. He said he has heard similar requests for exemptions from many of the other state departments, and the issue should be discussed in conference committee. Instead of making decisions for exemptions agency by agency, he said, the issue should be examined as a whole. He said a consistent policy regarding exemptions should be devised for all agencies.

Sen. Becky Lourey (DFL-Kerrick) spoke against removing the section from the bill. She said leaving the provision in the bill keeps the issue before the Legislature. She also said each agency is unique and should be treated separately. Sen. Ellen Anderson (DFL-St. Paul) also spoke against removing the section. She said it is prudent to have a Senate position on the matter before the conference committee meets. However, Berglin agreed to remove the provision, and members approved an amendment to eliminate it.

Lourey offered an amendment requiring the Health Department to adopt "reasonable rules" that establish criteria and procedures for the refusal to grant or renew licenses and for the suspension or revocation of licenses already granted by the department. The amendment also establishes fees for various plumbing examinations and inspections, adds a "restricted plumbing contractor" category to law for plumbers operating in cities of fewer than 5,000 people, requires all new plumbing installations to be inspected and prohibits a firm, person or corporation from working at the business of a master plumber, restricted plumbing contractor or journeyman plumber unless licensed by the Department of Health. The amendment was adopted.

Regarding the assistance provision, Berglin said the moratorium is needed to help individuals receiving assistance get through the recession. A recession hits the hard to employ the most, Berglin said. She said it is difficult in the current climate for employment providers to find jobs for

their clients. Berglin said the measure gives people a chance to continue receiving assistance while they are looking for the jobs that they need.

“Hopefully this will give them a window of opportunity to recover from the recession, and then we can go back to the old policy,” she said.

Sen. Claire Robling (R-Prior Lake) said MFIP participants have had 60 months of assistance, so it is not as if their benefits are being eliminated suddenly. She said at some point the state must be a little more strict and hold people accountable, but Legislators shouldn’t be portrayed as mean spirited or as bullies for doing so.

Johnson agreed that there should be limits to assistance. However, he said in the “real world” many times people get “clobbered” and experience difficulties through no fault of their own. Berglin’s proposal is modest, he said, and most Minnesotans should find it reasonable.

Berglin said the federal government gives states the right to exempt up to 20

percent of assistance recipients from the 5-year limit. States are given the leeway, she said, and her proposal just uses it. She also said job counselors are saying it is extremely difficult to find jobs right now, and the five year limit is colliding with the recession.

Sen. Pat Pariseau (R-Farmington) asked what kind of a strain the measure puts on the budget. Chuck Johnson, from the Department of Human Services, said there are 2,700 families reaching the 60 month time limit within the next year. Of these, he said current law exempts 1,400 from the time limit, which leaves 1,300 who are not exempt. Of the 1,300 remaining, Chuck Johnson said about 25 percent are covered by the extension provided in the proposal. The bill was approved and sent to the Senate floor.

Sen. Richard Cohen (DFL-St. Paul) carried S.F. 3246, a bill regulating telephone solicitation. The bill establishes a list of telephone numbers of individuals who do not wish to receive telephone

solicitations. The bill makes available copies of the list to those wishing to make telephone solicitations, prohibits solicitation being made to any person on the list and establishes penalties for those who do solicit someone on the list. The bill also grants several exemptions from the solicitation prohibition.

Sen. James Metzen (DFL-South St. Paul) offered an amendment eliminating the authority, established by the bill, of the Public Utilities Commission in certain situations to make an order regarding the “tariff, regulation, act, omission or service that is just and reasonable” and to impose self-executing or automatic remedies and penalties. The amendment also eliminates a clause that exempts telephone companies of less than 50,000 customers from the order. In discussions regarding the bill, Metzen said, it was decided to do away with the entire provision, rather than to simply exempt small companies. He also said the exemption, put into the bill during a meeting of the Transportation



Director of Emergency Communications and Technology Bureau John Dejung, right, plays a recording of a 911 emergency call for members of the Senate Finance Committee Wed., Mar. 20, as Sen. Jane Ranum (DFL-Mpls.) looks on. Ranum was presenting a bill dealing with homeland security provisions.

Photo by David J. Oakes

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A young girl peers from behind a placard as various children's advocates gathered in the Capitol rotunda Mon., Mar. 18, as part of "Voices for Children Advocacy Day."

Photo by Shelley Hawes

and Public Safety Budget Division, is a policy issue that should have gone through the Judiciary Committee. The amendment was adopted.

Metzen also offered an amendment that appropriates \$482,000 from the general fund to the Commerce Department to establish and maintain the no-call list and to enforce its provisions. The amendment was adopted. The bill was approved and sent to the Senate floor.

S.F. 2569 was carried by Sen. Dan Stevens (R-Mora). The bill specifies that rebates of federal sales taxes may not be considered a means of support regarding eligibility requirements for admission to the Minnesota Veterans Nursing Homes. Current law specifies only refunds or

rebates of state sales taxes may not be considered a means of support. The bill was approved and sent to the Senate floor.

Sen. Sheila Kiscaden (R-Rochester) carried S.F. 3155, which allows dentists, dental hygienists or dental assistants currently practicing in North Dakota, South Dakota, Iowa or Wisconsin to obtain guest licensure or registration for practice in Minnesota. The bill requires those granted a guest license or registration to practice in a public health setting established by a nonprofit organization designed to provide dental care to those who have difficulty accessing dental care. The measure also requires those obtaining guest status to practice in a single, specific location and appropriates \$3,000 to the

Board of Dentistry for implementation. Sen. Deanna Wiener (DFL-Eagan) offered an amendment specifying that those obtaining a guest license or registration are subject to the rules and laws of Minnesota. The amendment was adopted. The bill was approved and sent to the Senate floor.

Sen. Thomas Neuville (R-Northfield) authored S.F. 3114. The bill allows an obligor to obtain a limited drivers license for 90 days when they fall behind on child support payments. In current law, when an individual falls three months behind on child support payments the individual's license is suspended until a payment agreement is reached. The measure allows an obligor whose driver's license has been suspended to bring a motion to have it

reinstated. Under the bill, if the license is reinstated, a written payment agreement must be established. The bill also allows, when an obligor is in arrears, the establishment of a child support graduated payment plan that is tailored to the financial circumstances of each obligor. The bill was approved and sent to the Senate floor.

Sen. Jim Vickerman (DFL-Tracy) authored S.F. 2793. The bill requires the development of a plan to allow Medical Assistance (MA) to reimburse counties for children's mental health residential treatment services provided in Iowa, North Dakota, South Dakota and Wisconsin. The bill was approved and sent to the Senate floor.

S.F. 2827, which provides for the registration of agents of student athletes, was presented by Wiener. The bill prohibits an individual from acting as an athlete's agent in Minnesota without being registered, provides standards and prohibited conduct for an agent, prescribes the contents of an agency contract and requires both the agent and the athlete to give notice of the contract within 72 hours after signing or before the next game, whichever is earlier. The bill also gives the student the right to void the contract within 14 days after it is signed, gives the educational institution a private right of action against a student athlete or an agent for damages and sets penalties for agents for violations. Under the bill, \$9,000 is appropriated from the general fund to the Commerce Department to implement the measure. Wiener offered an amendment, which was adopted, to establish a \$1,000 fee to register as an agent and for registration renewal applications. The bill was approved and sent to the Senate floor.

Johnson also moved to reconsider S.F. 388, the Fair and Clean Elections Act. The motion, however, failed.

Transportation bill approved

Sen. Dean Johnson's (DFL-Willmar) major transportation finance proposal was approved by members of the Finance Committee, chaired by Sen. Douglas Johnson (DFL-Tower), at the meeting Tues., Mar. 19.

The bill, S.F. 2812, creates a multimodal transportation fund with money raised from motor vehicle sales taxes. The fund has two accounts: a multimodal account to be used for any transportation purpose in the state, and a transit account to be used for costs related

to transit operations and capital expenditures within the Metropolitan Area. The bill raises the gasoline tax by six cents and ties the tax to inflation for future years. The measure also eliminates the maximum tax rate for vehicle registration and authorizes a referendum for November 2002 on a 0.5 percent sales tax for highway spending in the 11 county Metropolitan Area. According to Minnesota Department of Transportation Commissioner Elwyn Tinklenberg, the proposal helps meet transportation needs in the state.

"We feel it is a step in the right direction," he said. "This is something that can make a difference. We can make improvements and this will help us move there."

Dean Johnson offered an amendment exempting the Department of Transportation from the contract freeze authorized by the budget reconciliation bill. He said the proposal came to him from constituents, and also said the department will be better off the sooner the use of contracted services is allowed. Sen. Jane Krentz (DFL-May Township) supported the amendment. She said it is needed to help construction jobs be completed. Sen. Claire Robling (R-Prior Lake) also supported the amendment, saying it must be added to take full advantage of the construction season.

However, Douglas Johnson opposed the amendment. He said special waivers regarding the contract freeze are not needed, and added that it is instead better to have a standard policy for all departments. There are, he said, other waivers in other departments to consider. He said he spoke against a similar exemption for the Departments of Human Services and Health during a previous meeting of the committee. The amendment was not adopted.

Sen. Steve Dille (R-Dassel) offered an amendment to delete the section of the bill tying the gasoline tax to inflation. He said he was philosophically against such a measure, and that gas tax increases should instead be voted on as needed. Douglas Johnson opposed the amendment. He said there had been no increase in the tax since 1988. Sen. Keith Langseth (DFL-Glyndon) also opposed the amendment. He said other taxes—such as the income tax—increase when conditions change, so it is not out of the ordinary to tie a gas tax to inflation. He also said the state of Wisconsin

has tied the gas tax to inflation for a number of years. The amendment failed by a vote of 12 to 14.

Sen. Sheila Kiscaden (R-Rochester) presented an amendment to require the money in the metropolitan transportation fund used for highway system improvement, replacement, bottleneck removal projects and metropolitan system highway expansion projects to be used for projects identified in the Metropolitan Council's 25-year plan and the Department of Transportation's 20-year district plans. The amendment was adopted.

Sen. David Johnson (DFL-Bloomington) offered an amendment to sunset the sales tax increase in ten years. The amendment was adopted.

Sen. Pat Pariseau (R-Farmington) presented an amendment that appropriates \$10 million from bond proceeds to construct the interchange at I-35W and County Road J. The amendment was not adopted. The bill was approved and referred to the Tax Committee.

Dean Johnson also carried S.F. 3298, which deals with a number of transportation provisions. The bill makes several appropriations from the trunk highway fund, including \$500,000 for the Trunk Highway No. 55 Joint Powers Board to hire a consultant, \$5.046 million to repair damage to the Capital Complex Transportation Building exterior, \$9.5 million for MnDOT to construct a consolidated operations facility, \$14 million to build a MnDOT building in Mankato for a state patrol and a driver's license examination station and \$2 million to convert MnDOT's analog microwave backbone communications system to digital.

Sen. Julie Sabo (DFL-Mpls.) offered an amendment specifying that an agreement entered into between the Minnehaha Creek Watershed District and the Minnesota Department of Transportation regarding a court case currently proceeding has the force of law. The case involves a dispute over the flow of water into Coldwater Springs in Minneapolis.

Sen. Dennis Frederickson (R-New Ulm) said he was concerned about giving a party other than the Legislature the ability to do things that have the force of law. He also said that if someone were to read the amendment if it became law, they would have no idea what it is referring to. Robling said she had concerns about approving a proposal without knowing what the results of the court case will be.

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Senators, from left, Leo Foley (DFL-Coon Rapids), Charles Wiger (DFL-North St. Paul) and Linda Higgins (DFL-Mpls.) examine a new legislative district map as it comes off a printer—moments after the results of redistricting were revealed Tue., Mar. 19.

Photo by David J. Oakes

However, the amendment was adopted. The bill was approved and sent to the Senate floor.

S.F. 2811, authored by Kiscaden, creates a donated dental services program.

Under the bill, the program must establish a network of volunteer dentists, establish a system to refer eligible individuals to the appropriate dentists and develop and implement a public awareness campaign to

educate eligible individuals about the program. An appropriation of \$75,000 from the state government special revenue fund is made to the Board of Dentistry to implement the program. Kiscaden said the bill provides the opportunity for dentists to see patients who don't have coverage. She also said in some states, where the program has been used for a number of years, there has been a great return on the investment. The bill was approved and sent to the Senate floor.

Frederickson carried S.F. 3177. The bill modifies provisions in the wastewater infrastructure funding program. The measure also specifies that the purpose of the program is to assist municipalities that demonstrate financial need to build cost efficient projects to address existing environmental or public health problems.

Frederickson offered an amendment authorizing the Public Facilities Authority—instead of the Pollution Control Agency—to submit to the United States Environmental Protection Agency (EPA) an intended use plan for projects. The amendment also lists several eligibility requirements for the intended use plan and authorizes the public facilities authority to issue up to \$1 million in bonds—instead of \$850,000—to achieve its purposes. The amendment was adopted.

Frederickson also presented an amendment that gives the Public Facilities Authority permission to provide a half grant and half loan if a municipality's costs are increased because of geological conditions and more stringent discharge limits. The amendment limits the assistance to \$25,000 per existing connection. The amendment also specifies that the Public Facilities Authority must match a grant given to a municipality by the United States Army Corps of Engineers. The amendment was adopted. The bill was approved and sent to the Senate floor.

Homeland security measure ok'd

Members of the Finance Committee, chaired by Sen. Douglas Johnson (DFL-Tower), approved a bill relating to homeland security at their meeting Wed., Mar. 20.

S.F. 2683, carried by Sen. Jane Ranum (DFL-Mpls.), enacts various anti-terrorism measures. The measure establishes penalties for individuals who commit acts of terrorism, promote certain criminal acts, take responsibility for certain criminal acts, aid others who commit acts of

terrorism or give false information regarding acts of terrorism. The bill also establishes penalties regarding the use of biological agents, toxic chemicals, toxins and radioactive materials. S.F. 2683 includes several revenue raising proposals. The bill changes the 9-1-1 service fee assessed to customers from 27 cents each month to no less than 8 cents and no more than 52 cents each month. The change is expected to generate \$17.7 million per year. The money is used to meet the current 9-1-1 service needs, to upgrade technology at Public Safety Answering Points (PSAPS), for the Metropolitan Radio Board to leverage bonds, for each Medical Resource Communication Center (MRCC) and to link all PSAPS in the state with fire departments. The measure authorizes the Metropolitan Council, on behalf of the Metropolitan Radio Board, to issue up to \$60 million in revenue bonds. The funds are to be used to finance the completion of the Minnesota Public Safety Radio System in the Metropolitan Area, the initial phase of statewide expansion of the system to the Rochester and St. Cloud regions and to assist counties and cities that shared in the cost of the initial infrastructure of the system to recover some of their investment. The bill also allows grants for training and equipment to be awarded to state agencies and local units of government for emergency preparedness purposes.

Ranum said much of the bill is designed to increase the communication capacity in the state. She said one critical 9-1-1 service upgrade that is needed—that is not available now—is the ability to locate cellular telephone users. Highlighting the importance of good communication in emergency situations, Ranum also read from a recent New York Times article that stated that many firefighters died when the World Trade Center towers collapsed on Sept. 11 because their dispatchers could not reach them.

“That shows the importance of good, effective communication,” she said.

Several members were concerned about the additional 9-1-1 service charges. Sen. Sheila Kiscaden (R-Rochester) asked why a surcharge is put on all phones across the state if the expansion of the Public Safety Radio System is not entirely statewide. She also asked why the system isn’t funded through capital bonding instead. Douglas Johnson asked what rural Minnesota communities—such as those in Cook County—gain from the increase.

Ranum said people living in Greater Minnesota gain better 9-1-1 service through the surcharge increase. She also said the bonding bill was already completed by the time the bill was ready.

Sen. Jane Krentz (DFL-May Township) offered an amendment dealing with emergency waste and debris management and disposal. The amendment authorizes the Minnesota Pollution Control Agency to allow an exemption from requirements in statute enforced by the agency for the management and disposal of debris and waste in emergency situations. The measure allows an embargo to be placed on a specific geographical area limiting food or consumer commodity movement into or out of the area. The amendment also clarifies language regarding a quarantine zone of control in an emergency situation. Krentz said the amendment represents one-third of the governor’s anti-terrorism proposal. The amendment was adopted. The bill was approved and sent to the Senate floor.

Sen. Steve Kelley (DFL-Hopkins) carried S.F. 3205. The bill creates the public telecommunication services account by imposing a fee of 0.5 percent of the gross receipts from retail sales of telecommunications services. Under the bill, the telecommunications account is required to fund the learning network of Minnesota—which in the past was funded through the Higher Education Services Office (HESO)—and the telecommunication access revenue program, regional library telecommunication aid and any shortfall in 2003 in the MNLink program. The account also provides grants for a hospital emergency communications network to connect all hospitals in Minnesota to one interoperable network for information sharing purposes.

Tom Lehman, from the Minnesota Hospital and Healthcare Partnership, spoke in favor of the bill. He said hospitals need to be able to communicate with each other outside of a regular phone line. As an example why this is important, Lehman pointed to the events of Sept. 11, when telephone lines went down and hospitals could not communicate with each other. As a result, he said, news reports showed doctors and nurses just waiting outside their hospitals and clinics to see if patients were coming in. In contrast, he said, Washington, D.C. has a communications network between health care agencies. All hospitals are connected to the system, he

said, and all were able to communicate with each other Sept. 11.

Elaine Keefe, from the Minnesota Library Association, also testified in support of the bill. She said the bill is important for library services; it provides funding to connect library catalogs and allows material to be shared in a cost effective way. Keefe also said libraries provide Internet access to many people, and the demand is growing. Computers, she said, are busy all of the time. She said libraries across the state “desperately” need the funding.

“Public telecommunications is the lifeline of a modern library,” she said.

Others testified against the bill. Representatives from the Minnesota Retailers Association and the Minnesota Chamber of Commerce said the bill adds costs to businesses. Jerry Knickerbocker, with the Minnesota Telephone Association, said the bill increases taxes on one part of the state’s economy. He said the bill must be looked at with Ranum’s bill, which already includes a fee on telephone use, the 9-1-1 surcharge. The two bills, he said, represent a large tax increase on telephone bills.

Sprint representative Victor Dobras also spoke in opposition to the bill. He said the goals of the measure are laudable, but a tax on communications services is the wrong way to fund it. Telephone customers, he said already pay numerous state and federal fees. He said the bill should be funded through the general fund instead.

“Communications companies should not be tax collectors for educational services, medical networks and emergency response networks,” he said.

Sen. Dennis Frederickson (R-New Ulm) said there are difficult issues in the bill, but added it should be moved along. He said that while there are many things in the bill worthy of funding, he didn’t like adding charges to phone bills. However, he said it is important to keep the bill alive in order to give the parties involved a chance to work out their differences and perhaps find a more acceptable way to fund it. He moved to refer the bill to the Tax Committee without recommendation. The bill was advanced without recommendation to the Tax Committee by a vote of 15 to 10.

Kiscaden authored S.F. 2622. The bill creates a volunteer health care provider program under the Department of Health

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to facilitate the provision of health care services on a volunteer basis through eligible health care facilities and organizations. The bill also specifies that a health care provider who furnishes free health care services under the program is an employee of the state for tort liability purposes. Under the bill, the program is established under the administrative services unit of the health related licensing board. Kiscaden said the bill especially helps retired health care professionals or those without coverage for certain situations to volunteer their services.

Ken Peterson, from the Office of the Attorney General, spoke in opposition to the bill. He said the bill makes the state the insurer against medical malpractice claims and leaves the state open to potentially serious cases involving AIDS, tuberculosis and psychiatric claims resulting in death. Peterson said there is no funding in the bill and there is no clear client for the office under the bill.

Kiscaden said the chance of a lawsuit taking place is rare because only fairly routine issues are looked at in a volunteer clinic. She said the Salvation Army opens a clinic in Rochester by converting a normal office into a doctor's office. No deep, diagnostic work is normally done at a volunteer clinic, she said, and if more is needed, patients are usually referred elsewhere.

Sen. Linda Berglin (DFL-Mpls.) said the bill was looked at in the budget division and it was decided that a supplemental appropriation could be given if a lawsuit arose. She said many health care professionals already have their own insurance for volunteer situations, and they are not experiencing any problems. If there were problems, she said, no one would be volunteering. The chance for liability, she said, is slim.

Douglas Johnson said Peterson had legitimate concerns, and asked if it would be appropriate to approve the bill with a sunset date for some point on the future. Sen. Cal Larson (R-Fergus Falls) said the bill represents a reasonable way for health care professionals to help those without health insurance. He offered an amendment to sunset the bill June 30, 2007. The amendment was adopted.

Kiscaden also offered an amendment to appropriate \$50,000 to pay for any legal costs incurred by the attorney general in defending a civil action brought against a health care provider. The amendment was

adopted. The bill was approved and sent to the Senate floor.

Sen. Ellen Anderson (DFL-St. Paul) carried S.F. 3431, the omnibus jobs and economic development bill. The bill changes how the state pays interest on loans received from the federal government for the unemployment insurance trust fund to authorize an assessment of 2 to 8 percent on employers whenever the fund falls below \$150 million instead of an assessment of 10 percent. The measure provides temporary extended unemployment benefits to applicants who do not qualify for benefits under the federal Temporary Extended Unemployment Compensation Act of 2002 and provides a three-tenths of one percent increase in the assessment on employers for the workforce development fund. The bill also provides 26 more weeks of unemployment benefits for employees who worked for various airlines or related industries, were laid off on or after Jan. 1, 2002, from Fingerhut Companies, or were laid off on or after July 8, 2001, from Farmlands Food Company. Under the bill, the extra benefits program expires Jan. 3, 2004, and no extra benefits may be paid after that date. Anderson said major parts of the bill are designed to extend benefits to individuals who have lost their jobs in the current recession and to increase the solvency of the Dislocated Worker Trust Fund and the Unemployment Insurance Trust Fund.

Sen. Keith Langseth (DFL-Glyndon) offered an amendment to add workers laid off from the Potlach Corporation in Crow Wing County to those eligible to receive 26 weeks of extra benefits. The amendment was adopted.

Sen. David Johnson (DFL-Bloomington) offered an amendment designed to facilitate the development of new base load electric generation plants on Minnesota's Iron Range. The measure requires the Public Utilities Commission to determine the appropriate criteria to be used in selecting bids to build a plant from utility companies that are responding to a request for proposals. The amendment is the same language as a bill moving through the Senate carried by Sen. David Tomassoni (DFL-Chisholm).

Several Senators said the amendment does not belong in the bill since there is no financial issue attached. However, Douglas Johnson said rules give broad discretion to offer amendments. Tomassoni said no action is being taken in the House

regarding his bill. He also said the measure helps the economic situation in the Iron Range, brings jobs to Northern Minnesota and creates the means to add needed power to the state.

"I think it will stabilize the economy on the Iron Range, and it's a very good opportunity to solve several problems," he said. The amendment was adopted by a vote of 14 to 13. The bill was approved by a vote of 22 to 10 and sent to the Senate floor.

Sen. Don Betzold (DFL-Fridley) carried S.F. 2991, which requires the payment of a salary differential to certain state employees who are members of the national guard or other military reserve units and who have been called to active military duty on or after Sept. 11, 2001. The measure also allows—but does not require—local units of government to do the same for their employees called to active service. The bill was approved and sent to the Senate floor.

Rules and Administration

Appointees approved

The Rules and Administration Committee met briefly Mon., Mar. 18, to consider the appointment of two individuals to the Campaign Finance and Public Disclosure Board and to act on two measures.

The panel, chaired by Sen. Roger D. Moe (DFL-Erskine), approved the appointments of Susan Steven Chambers and Clyde Miller to the board with little debate.

Members also considered a bill allowing the appointment of election judges who are not affiliated with a major political party. According to Sen. Linda Scheid (DFL-Brooklyn Park), chief author of the measure, S.F. 2950 is an attempt to deal with the decline in numbers of persons who volunteer to be election judges. The bill was approved and advanced to the full Senate.

The second bill, S.F. 2672, authored by Sen. David Tomassoni (DFL-Chisholm), was before the committee because the measure did not meet the deadline for committee action on bills. The bill requires an investigation into criteria used to evaluate certain power acquisition request for proposals. Tomassoni said the bill is aimed at encouraging the construction of certain energy facilities to meet the need for



Senators, from left, Deanna Wiener (DFL-Eagan), Sheila Kiscaden (R-Rochester) and Linda Berglin (DFL-Mpls.) consult during a recent committee hearing in Room 15 of the Capitol.

Photo by David J. Oakes

additional electric generation capacity in the future. The bill was advanced to the Senate floor.

The panel also met briefly Thurs., Mar. 21, to consider another late bill. S.F. 1755, authored by Sen. LeRoy Stumpf (DFL-Thief River Falls), provides for a school employees health insurance plan. The measure was advanced to the Finance Committee.

State Government, Economic Development, and the Judiciary Budget Division

Employment bills discussed

Members of the State Government, Economic Development, and the Judiciary Budget Division gathered Thurs., Mar. 14, to discuss several bills designed to aid unemployed workers and foster economic

development in the state. The broader national recession following the Sept. 11 tragedy and mass layoffs in small Minnesota communities precipitated a number of proposals to address these issues, said Sen. David Johnson (DFL-Bloomington). Johnson carried two bills, S.F. 2856 and S.F. 2857, both of which deal with gaps in unemployment insurance (UI) and extend benefits to laid off workers, he said. S.F. 2856 extends unemployment benefits up to 26 weeks for workers laid off from any employer as of Jan. 1, 2002, while S.F. 2857 shifts the base period for calculating UI so that more laid off workers may qualify.

“The primary effect will be to double the potential length of every unemployment claim,” said Minnesota AFL-CIO representative Brad Lehto. S.F. 2857, according to Lehto, allows over 3,000 additional unemployed Minnesota workers to receive benefits who would not qualify under the current rules. The bills

have no direct impact on the general fund, Lehto said, but the employer contributions to the UI trust fund have to be increased to cover the additional benefits.

Jack Weidenbach from the Department of Economic Security said the state will receive \$163 million from the federal government for the UI trust fund. The money is intended to cover people who have exhausted UI benefits, but qualified for an extension. An amendment was proposed that enables unemployed workers who have not met the minimum 20 week federal standard for UI to receive benefits as well.

Sen. Ellen Anderson (DFL-St. Paul) carried S.F. 3431, a bill that allows a special assessment on taxpaying employers to pay interest on any loan from the federal unemployment trust fund. Anderson said her intention was to build an omnibus economic recovery and jobs bill by adding on a variety of additional bills and provisions. Anderson stated her preference

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for three items to be added to the bill, S.F. 2857, the amendment that allows benefits to workers who have not the federal minimum standards, and S.F. 2492, a bill that provides extra unemployment benefits to workers laid off from Fingerhut, Farmland Foods, and airline and airline-related companies. Anderson said the provisions found in S.F. 2856 were excluded because they are simply too expensive and that she was trying to pass a bill that matches the House companion. Tom Hesse from the Minnesota Chamber of Commerce spoke in opposition of the provisions found in S.F. 2857. He said it wasn't necessary to make qualifying for UI benefits any easier since Minnesota already has one of the least stringent programs in the country. All three items were incorporated into S.F. 3431.

David Johnson offered an amendment, which was adopted, that sets the UI base tax rate at four-tenths of one percent for 2003. Without the fix, Johnson said, the

UI trust fund would be \$80 million in debt by the end of next year. With the change, the trust fund will be \$23 million in the black, he said.

The division adopted Anderson's proposal to incorporate a portion of S.F. 2462 into the omnibus bill. The amendment increases the assessment paid into the workforce development fund by increasing taxable wages from 60 percent to 70 percent of the state's annual wage, increasing the workforce enhancement fee from .09 percent to .12 percent of taxable wages, and increasing deposits to the fund from .07 percent to .1 percent of taxable wages.

S.F. 3059, carried by Sen. Linda Higgins (DFL-Mpls.), was also incorporated into the omnibus bill. The bill requires youth employment in construction projects paid for with early childhood program construction or rehabilitation grants. Higgins also sponsored S.F. 2763, which prohibits employers from charging

job applicants for background or credit checks. An amendment that facilitates the purchase of a brownfield site in St. Paul for the construction of a new armory was also carried by Higgins. Both proposals were amended into the omnibus bill.

An amendment that incorporates workplace ergonomic standards into the omnibus bill was adopted. Sen. Julie Sabo (DFL-Mpls.) carried S.F. 2541, which requires the Department of Labor and Industry to adopt occupational safety and health standards that regulate workplace ergonomic hazards. Hesse opposed the amendment and said companies have already made ergonomic improvements without a state or national mandate.

The Department of Trade and Economic Development technical bill, S.F. 3176, and S.F. 2456, a bill that allows foster parents to attend school conferences, were incorporated into the omnibus bill.

S.F. 3134 was recommended to pass and sent to the Finance Committee.



Senators, from left, Mady Reiter (R-Shoreview), Linda Scheid (DFL-Brooklyn Park) and Leonard Price (DFL-Woodbury) serve up birthday cake in the Senate retiring room Thur., Mar. 21, in honor of Senators whose 60th birthdays occurred this year—the aforementioned among them.

Photo by Shelley Hawes

Taxes

Opinions on taxes heard

Members of the Taxes Committee met Thurs., Mar. 13, to hear public testimony on the possibility of raising taxes to cover budget shortfalls.

Jenny Engh, from the Dept. of Revenue, said the economic stimulus package, recently signed into law by President George W. Bush, further intensifies the state's budget crunch. The package cuts federal tax rates for corporations, on which the state rates are based, Engh said. The department estimates that the stimulus package will result in a \$240 million loss in revenues in FY 02 and FY 03.

Several individuals recommended raising taxes on tobacco products to help reduce smoking and bring in additional revenue. Dr. Marc Manley, from the Center for Tobacco Reduction and Health Improvement, said, "Raising tobacco taxes will save lives, improve health and save money." He said studies have shown that increasing taxes on tobacco is the single most effective method of reducing tobacco use by youth. He recommended that the state add \$1 tax per pack, making the total taxes on a pack of cigarettes \$1.48.

Sen. Linda Scheid (DFL-Brooklyn Park) said, "This is one of those taxes you raise with the hope that you don't actually collect any taxes."

William Blazar, from the Minnesota Chamber of Commerce, said the state should not raise taxes to cover projected budget shortfalls in FY 04 and FY 05. He said the state should not increase budget appropriations to inflation. He said the government should demand greater efficiency from schools and other state funded institutions. "Otherwise," he said, "we are just paying more for the same old thing."

Sen. LeRoy Stumpf (DFL-Thief River Falls) said, "The same old thing is having 90 percent of high school students graduate." Sen. John Marty (DFL-Roseville) said inflation, by definition, meant paying more for the same services. He said inflationary increases are necessary in order to keep programs up to the same standards.

Cheryl Furrer, representing Education Minnesota, said, "Our organization urges you to increase revenue to insure that education can succeed." She said schools try everything to save money and improve efficiency.

Sen. Lawrence Pogemiller (DFL-Mpls.), committee chair, said, "The business community needs to come to the table with a little balance." He said the Chamber of Commerce had asked for years for inflation to be included in budget forecasts, but now that the economy has changed businesses are seeking to eliminate inflationary increases. "The Chamber," he said, "is disingenuous."

Duane Benson, from the Minnesota Business Partnership, said, "There is one thing about the budget forecasts you can count on. They are always wrong." He said because estimates are only guesses, the Legislature should not increase taxes to pay for projected shortfalls in FY 04 and FY 05. He also said the Partnership advocates using the state's reserves. "That is what reserves are there for," he said.

Tim Flaherty, representing the Coalition of Greater Minnesota Cities, said it is too early to judge the effects of property tax reform enacted last year. However, he said, Greater Minnesota cities recommend two changes. The first, he said, is a reduction of taxes on low value farm property. The second, he said, is a lowering of taxes on combined residences and businesses.

Tax bill draft distributed

Chair Lawrence Pogemiller (DFL-Mpls.) convened the Tax Committee Fri., Mar. 15, to distribute and describe his initial draft of the phase two and three budget reconciliation bill for FY 04-05. Pogemiller emphasized the bill did not represent the consensus of the DFL caucus nor was it intended to be the final say of the committee. Pogemiller said the bill was distributed for discussion purposes only.

Senate Counsel JoAnne Zoff Sellner described the various articles of the budget reconciliation draft. The initial miscellaneous article contains several data privacy provisions, but also included proposed increases in the cigarette sales tax, Sellner said. Pogemiller added the cigarette tax increase in the draft was in line with the governor's proposal to increase the tax by 29 cents. Sellner continued by describing proposed language in the general public finance provisions, which includes a public finance bill carried by Sen. Ann Rest (DFL-New Hope), provisions related to the transfer of duties from the state treasurer to the Department of Finance, transit bonds for the Metropolitan Council, and general obligation bonds for public improvements in St. Paul.

Included in the article pertaining to department policy provisions are items that change both the deadline for contesting property tax assessments and taconite production tax rules, as well as a delay of the repeal of the June accelerated sales tax by one year to Jan. 1, 2004. Sellner also described several provisions related to property taxes, including a provision that ties business property tax assessments to property values instead of inflation.

The draft proposed several exemptions to the statewide sales tax, including meals and instructional materials other than textbooks at higher education institutions, and construction materials for replacement agricultural processing facilities destroyed by fire and certain hydroelectric generating facilities.

The major item in the bill related to income taxes is a proposed temporary increase in tax rates to restore the general fund reserve balance.

Sellner said that among the items included in the educational levies section, the city of Minneapolis is authorized to levy an additional \$35 per pupil to recoup costs associated with desegregation aid.

Sen. David Tomassoni (DFL-Chisholm) offered an amendment for discussion concerning taconite deductions. Sen. Don Samuelson (DFL-Brainerd) explained an amendment that exempts construction materials for schools from sales tax. Sen. Mady Reiter (R-Shoreview) explained an amendment that exempts local units of government and military retirees from sales taxes. Tomassoni offered an additional amendment that seeks LTV dislocation declining enrollment aid for several school districts. Sen. Steve Kelley (DFL-Hopkins) said he plans to seek a telecommunications bill surcharge to provide adequate telecommunications funding for schools and libraries. No action was taken on any amendments.

Draft plan updated

Members of the Tax Committee met Mon., Mar. 18, to consider updates to a draft version of the omnibus tax provisions in the second budget reconciliation bill for FY 02-03. The draft proposal was offered by Committee Chair Lawrence Pogemiller (DFL-Mpls.) and first unveiled at the panel's previous meeting.

The plan raises \$581.4 million in revenue in FY 02-03 and over \$1.8 billion for the next biennium. The draft includes proposals from the governor—such as

Committee update

terminating the tax reciprocity agreement with Wisconsin and increasing the cigarette tax by 29 cents. The cigarette tax, under the plan, is also indexed to inflation after June 30, 2004. Pogemiller's proposal also temporarily rolls back income tax rates to their 1998 levels and makes changes to the state's participation in the Streamlined Sales Tax Project, including eliminating the so-called "bread tax." Various other changes in sales and property taxes, considered by the tax budget divisions, are also incorporated in the plan.

Pogemiller said the plan may not receive the committee's approval in its current form. "The chair hasn't gone around twisting any arms" in the Majority Caucus, he said. "Members are going to have use their best judgement," Pogemiller said, about passing out of the committee a plan that balances the state's budget for the current biennium. Without new revenue, plans to pay for inflation in education costs and refilling the budget reserve accounts cannot go forward, he said. "Even using funds in the tobacco endowment will not be enough to satisfy the bond people in New York," Pogemiller said. Sen. William Belanger (R-Bloomington) said the fiscal impact of a reduction in the state's bond rating is not that great.

The Department of Revenue is looking at various options for conforming, or not conforming, with federal tax changes recently passed, Pogemiller said. "This plan assumes that we will not conform with the budget act of the federal government," he said. When the department makes a recommendation about a state response to the federal actions, Pogemiller said, then that recommendation can be included in the proposal.

Sen. Kenric Scheevel (R-Preston) said that if the Legislature increases state spending, the income tax increase may last beyond the end of the FY 04-05 biennium. Pogemiller said the intent is to "blink off" the higher tax rates when the budget reserves are refilled and the state achieves fiscal stability. He said a plan to sunset the higher tax rates on June 30, 2005 may go forward, if the Department of Finance rules the plan does not create structural imbalance in the budget.

Members of the committee, including Sen. Steve Murphy (DFL-Red Wing), questioned projections about revenue from the cigarette tax increase. Murphy asked how much smoking rates would

decrease with a \$1 increase in the cigarette tax. Pogemiller said an increase of up to 35 cents will increase revenue \$3 million per 1 cent tax increase. After the 35-cent threshold has been reached, he said, consumption is projected to drop enough to reduce marginal revenue increases. Jeremy Hanson, Minnesota Smoke-Free Coalition, said a \$1 cigarette tax increase is projected to reduce teenage tobacco consumption by 36.9 percent and adult consumption by 11.4 percent.

Transportation package gains

A bill pouring over \$5 billion into the state's transportation systems over the next 10 years was approved by Senators during the Wed., Mar. 20, hearing of the Tax Committee. The bill, S.F. 2812, is carried by Sen. Dean Johnson (DFL-Willmar). The legislation includes a 6-cent increase in the gasoline tax, and indexes the tax to inflation. A referendum in the 11-county Metropolitan Area to ratify a 0.5-cent increase in the sales tax is also included among provisions in the bill.

Members adopted an amendment, offered by Sen. Steve Kelley (DFL-Hopkins), allowing the Department of Transportation (MnDOT) to enter into contracts so long as general fund dollars are not used to pay for contracted services. Johnson said about \$423 million in projects are currently in question because language from Phase I of the budget reconciliation is not clear about transportation contracts that do not draw on the general fund.

An amendment adding \$7.30 to the cost of a ticket issued by a state trooper was offered by Sen. Steve Murphy (DFL-Red Wing). The money raised by imposing a surcharge will be dedicated to a fund for training new troopers and retraining current troopers, under the amendment. Johnson said the state is 47th in the nation in the number of troopers per lane miles and population. Murphy said the surcharge raises just over \$1.6 million per year, which he said meets the State Patrol's needs to reach the full complement of troopers and to retrain troopers. The amendment was rejected, 9-13.

S.F. 2812 was approved and advanced to the floor.

Members also approved two other bills, S.F. 2125 and S.F. 1811. Both bills were sent to the full Senate. S.F. 2125, carried by Sen. Roger Moe (DFL-Erskine),

provides for the designation of over 102,000 acres of consolidated conservation lands as wildlife management areas. Sen. Mark Ourada (R-Buffalo) sponsored S.F. 1811, which provides for the transfer of all or part of a drainage system to a water management authority.

The committee devoted the bulk of its hearing to S.F. 3436, which is the second phase of the budget reconciliation plan. Members worked on a draft of tax provisions, crafted by Sen. Lawrence Pogemiller (DFL-Mpls.), to be amended onto the bill. Pogemiller, who chairs the committee, said the tax plan fully replenishes the state's cash flow and budget reserve accounts by the beginning of FY 04 and pays for about 40 to 43 percent of the structural challenge in FY 04-05. He said the plan also provides the revenue for 2.5 percent inflationary growth in general education funding.

Originally the plan included a temporary rollback of income tax rates to their 1998 levels. Pogemiller dropped the rollback, he said, because the automatic return of tax rates to lower levels at the start of FY 06 was recommended against by Department of Finance officials. He said he was advised the plan would create a financial cliff for FY 06. Pogemiller said that while temporarily raising income taxes was his preference, the revised plan targets another revenue source: tobacco. The draft includes a bifurcated cigarette tax—taxes on cigarettes are raised by 30 cents on May 1, 2002, and by an additional 30 cents on Jan. 1, 2003.

Hennepin County Attorney Amy Klobuchar spoke against a provision in the plan creating an amnesty program for payment of unpaid taxes. She said an amnesty program compounds public perceptions of two levels of justice—one for the wealthy and one for the poor. Klobuchar also questioned the advisability of giving white collar criminals what appears to be a free pass. She said it was also inappropriate for the Legislature to intervene in criminal investigations currently underway.

Revenue Commissioner Matt Smith said the state loses about \$660 million a year to noncompliance with tax laws. He said the policy question before Senators was what long-term strategy makes the most sense. Assistant Commissioner Dwight Lahti said an amnesty program would not work as well in Minnesota as it appears to

have done in other states. Lahti said factors to consider include the fact that many state revenue departments do not have existing audit and enforcement programs, unlike Minnesota. Other states, he said, also have multiple amnesties, while the proposed Minnesota amnesty will be one-time. Lahti added that Minnesotans value paying taxes and take pride in filing on time, on the whole. He also noted that a state amnesty without a federal amnesty was unlikely to make tax evaders come forward.

Sen. Ann Rest (DFL-New Hope) offered an amendment removing the amnesty program from the bill. Sen. Grace Schwab (R-Albert Lea) said the program should be tried in Minnesota, because 35 other states have tried amnesties at one time and have found increased revenues as a result. The amendment was adopted, 17-10.

Members also considered an amendment, offered by Kelley, proposing a 0.5 percent sales tax on telecommunications. The tax, under the amendment, sunsets at

the end of FY 05. Funds raised by the tax, Kelley said, are dedicated to providing disparity aid funding for high-speed telecommunications access for K-12, higher education and library networks across the state. The amendment was opposed by representatives of the telecommunications industry, while representatives of rural educators and Minnesota libraries spoke in favor of the amendment, saying it will equalize access to telecommunication. Sen. Arlene Lesewski (R-Marshall) said she recognizes that a program funding high-speed access needs money, but she said the proposed tax isn't the appropriate source. Kelley said he had been looking for sources, but no one has come up with any alternatives to his plan. The amendment failed.

After considering a series of other amendments, many technical in nature, members adopted an amendment grafting the entire tax proposal, including amendments, onto S.F. 3436. The panel then turned to consideration of the bill as a whole, including non-tax amendments.

Sen. Don Samuelson (DFL-Brainerd) offered an amendment offering extra unemployment benefits to persons laid off from airlines, airline-related industries, Fingerhut, Farmland Foods, and Potlatch. The amendment was adopted. Members also adopted an amendment reinstating funding for agriculture information centers. Sen. LeRoy Stumpf (DFL-Thief River Falls) said the amendment, which he offered, does not appropriate new money but only requires the Department of Agriculture to look within its own budget for the funds.

An amendment offered by Sen. Mady Reiter (R-Shoreview) providing members of the National Guard, armed forces, or armed forces reserves called to active duty with a \$5,000 income tax credit was not approved by the committee. Sen. Michelle Fischbach (R-Paynesville) offered an amendment appropriating \$356,000 for implementation of "Women's Right to Know" legislation. After a brief discussion of the amendment's appropriateness for the bill, the committee adjourned.



Members of the Tax Committee vote on an amendment during a committee hearing Wed. Mar. 20.

Photo by David J. Oakes

Floor update

Monday, March 18

Bills processed

The floor session Mon., Mar. 18, consisted of action almost exclusively on Special Orders. The initial bill, S.F. 2697, carried by Sen. Ann Rest (DFL-New Hope), sparked the most debate. Because over time the prevailing standard in property transactions regarding disclosures shifted from “buyer beware” to the obligation of the seller, Rest said, the bill codifies and clarifies the disclosure responsibilities of the seller related to the condition of the home.

“This bill brings clarity to the law, comfort to buyers, promotes knowledgeable transactions, and brings consistency to disclosure transactions,” Rest said. The bill refers only to the adverse facts pertaining to the physical condition of the property of which the seller is aware, Rest said.

Sen. Deanna Weiner (DFL-Eagan) offered an amendment that clarifies liability in case of a violation. Sen. Don Betzold (DFL-Fridley) opposed the amendment. He said it sanctions non-disclosure. “Real estate agents don’t want to be sued when something goes wrong,” he said. Sen. Bob Lessard (IND-Int’l. Falls) said he was concerned about buyers abusing the law by using litigation to not live up to their end of a contract. Betzold added that the amendment puts the buyer at a disadvantage because the buyer has to prove that the seller had some prior knowledge of a physical defect. The amendment failed.

Sen. John Marty (DFL-Roseville) said that buyers could discover defects about a house after the two year window described in the bill. He offered an amendment that would strike the two year limit and extend the window to six years, as in other fraud cases. Rest said the two-year limit was consistent with other disclosure provisions. The Marty amendment failed. The bill was granted final passage.

The following bills were also granted final passage on Special Orders. S.F. 2821, carried by Sen. Linda Scheid (DFL-Brooklyn Park), regulates and modifies provisions related to real estate brokers and salespersons. An amendment that reduces the scope of the bill and eliminates controversial provisions was adopted. S.F. 3200, carried by Sen. Dean Johnson (DFL-Willmar), provides that a non-profit organization operating an environmental learning center is a

municipality for the purposes of tort claims. Johnson said the bill is to allow a non-profit in Kandiyohi County to obtain insurance. Sen. Twyla Ring (DFL-North Branch) carried S.F. 3140, which allows food service workers to use earned wage credits for unemployment benefits. Sen. Kenric Scheevel (R-Preston) questioned if school districts will have to set aside more money for unemployment benefits. Ring replied that there is no fiscal impact because the workers have paid for and received the benefit before. The bill was granted final passage on a 40-27 vote.

Tuesday, March 19

Several bills passed

Members devoted most of the Tues., Mar. 19 session to debate and final passage of bills on Special Orders.

The following bills were granted final passage on Special Orders. Sen. Richard Cohen (DFL-St. Paul) carried S.F. 3075, a bill that clarifies the payment of sales tax on the sale of a motor vehicle sold in violation of dealer licensing requirements. S.F. 2673, also carried by Cohen, establishes guidelines for de facto custodians. Two amendments were adopted, one to conform the bill to case law, and the other, offered by Sen. Julie Sabo (DFL-Mpls.) allows one of the participants to request that a hearing and ex parte order be respected by the other party. Cohen also sponsored S.F. 2859, a bill that changes the deadline for submission of the governor’s budget to the Legislature to Jan. 15. Cohen said the bill is to allow legislators a couple of extra weeks during the session to address budget issues.

Sen. Dallas Sams (DFL-Staples) authored S.F. 2909, which allows a health maintenance organization (HMO) rural demonstration project. Sams said the bill eases restrictions and conditions on a HMO to bring health services to underserved rural citizens. Sen. Linda Berglin (DFL-Mpls.) proposed an amendment, which was adopted, that cleans up the language of the bill and exempts medicare-related coverage from prescription drug co-payments. S.F. 2986, carried by Sen. Martha Robertson (R-Minnetonka), requires school districts to submit information regarding contract settlements within 30 days. S.F. 2793, carried by Sen. Jim Vickerman (DFL-Tracy), requires the commissioner of human services to develop a plan to certify

out-of-state facilities that care for children with severe emotional disturbance.

Sen. Don Samuelson (DFL-Brainerd) carried S.F. 2486, a bill that requires all proposals for major spending on radiation therapy facilities to be reviewed and approved by the Department of Health. The bill, Samuelson said, prohibits building a radiation therapy facility within 10 miles of an existing facility without the permission of the Department of Health and codifies what had been common practice amongst Minnesota companies, but was recently violated by an out-of-state corporation. Samuelson introduced an amendment that enables an existing joint legislative task force to review areas beyond radiation therapy facilities. The amendment was adopted.

Another amendment, offered by Sen. Deanna Weiner (DFL-Eagan), removes an exemption for prospective review for hospitals. Weiner said many for-profit facilities are housed within hospitals and should not be exempted. The amendment merely levels the playing field, she said. Sams said the amendment does not have the support of the Minnesota Hospitals Association and should be rejected. Sen. Sheila Kiscaden (R-Rochester) said there is a broader problem and that the amendment was premature. Weiner said the Department of Health should have the authority to determine if a hospital exemption is appropriate. Robertson proposed an alternative solution that extends the one year prohibition on unauthorized radiation therapy facility expansion and allows the task force time to do its work. The motion to accept Weiner’s amendment failed.

Sen. Steve Kelley (DFL-Hopkins) said he has not seen the empirical data that health costs rise when there are more radiation therapy facilities in a given area. Berglin replied that when there are more centers with the same number of patients in a given area, patients are forced to pay more to maintain the increased costs of facilities. Kelley said he was concerned about protecting inefficient providers from new competition. The bill was granted final passage on a 53-10 roll call vote.

S.F. 3148, carried by Berglin, requires cities facing housing shortages with populations over 50,000 to ease restrictions regarding accessory housing. Berglin said the bill allows cities to increase the amount of affordable housing in communities because it will be easier for property

owners to convert and renovate old garages or carriage houses. Speaking in opposition to the bill, Sen. William Belanger (R-Bloomington) said the state shouldn't be involved in local zoning issues and that the bill will lower property values because of the increase of multi-housing units in areas zoned for single family homes. Sen. Warren Limmer (R-Maple Grove) suggested the population restriction be removed to allow housing needs in smaller rural communities to be met. Sen. Pat Pariseau (R-Farmington) said the bill is unnecessary because communities are already addressing the issue on their own. An amendment was adopted that clarifies mobile homes are excluded from the bill's provisions. The bill also received final passage.

Following Special Orders, H.F. 3618, the House capital bonding proposal, was received. Sen. Keith Langseth (DFL-Glyndon) proposed an amendment that replaced the House language with the previously approved Senate capital bonding bill language. The amendment was adopted, and members gave the measure final passage in order to return the bill to the House.

Two bills were granted final passage on the Consent Calendar. Sen. James Metzen (DFL-South St. Paul) carried S.F. 2392, a bill that updates statutes related to the 911 emergency telephone system. Sen. Dan Stevens (R-Mora) sponsored S.F. 2569, which clarifies that federal rebate checks are not to be considered means of support for Veterans Homes residents.

Members granted concurrence and repassage to S.F. 2932. The bill encourages citizen water quality monitoring. Senate sponsor Sen. Jane Krentz (DFL-May Township) said she accepted the minor changes made by the House.

Wednesday, March 20

Privacy bills passed

"We are updating statutes to fit with how our world has changed," said Sen. Linda Scheid (DFL-Brooklyn Park) about a bill the Senate passed, when the members met Wed., Mar. 20. Three of the bills voted on by the Senators during the session addressed uses and regulation of telecommunications and Internet technology.

Scheid's bill, S.F. 2542, authorizes board members of investment companies and non-profit organizations to hold meetings that are required by law through

remote communications and use electronic communications. The bill passed 65-0.

Sen. Steve Kelley (DFL-Hopkins) presented S.F. 3272, which prohibits telecommunication companies from selling, without customer consent, information obtained from costumers through the course of providing services. He said currently telephone companies can sell a list of phone numbers customers call to third parties without customer consent. The members voted 64-0 in favor of the bill.

Kelley's second bill, S.F. 2908, prohibits Internet service providers from selling information obtained about customers by providing services to them. The restricted information, he said, includes lists of web sites visited by customers. However, he said, the bill does not prohibit sites that collect information about visitors from sharing the data. Kelley offered an amendment, which the Senate adopted, that clarifies that law enforcement officials do have access to information from Internet service providers about their customers. He said the change is needed to comply with the Patriot Act passed by Congress in response to terrorist acts.

The second provision in Kelley's bill requires advertisers to label unsolicited e-mail with the letters "ADV" in the subject heading. He said the labeling allows e-mail users to easily screen out unwanted advertisements. The bill also prohibits advertisers from having misleading information in the subject heading.

Sen. Mady Reiter (R-Shoreview) asked whether the requirement on advertisements is enforceable. Kelley said it is possible to track down companies in the United States. He said currently the Attorney General's Office is able to regulate on-line gambling in Minnesota, despite the lack of physical location of web casinos. However, he said, it would be difficult to track down advertisers abroad. The bill passed 65-0.

Kelley's third bill, S.F. 3028, creates a semi-private organization to oversee the state's Youth Service programs, part of the federal AmeriCorps initiative. He said the bill is an effort to reduce costs for the Dept. of Children, Families and Learning (CFL).

Sen. Michele Bachmann (R-Stillwater) said the creation of a semi-private organization will put the Youth Service programs beyond the reach of legislative oversight. She offered an

amendment that made sections of statute dealing with limited salaries of employees, conflicts of interest and contracting policies, and audits by the state auditor applicable to the organization. Kelley moved to amend her amendment by removing the requirements about conflicts of interest and contracting policies. His amendment to the amendment was adopted 36-27. Bachmann's amendment was adopted 64-0.

Sen. Warren Limmer (R-Maple Grove) offered an amendment that makes the organizations' board of directors and executive directors "officials" under law, limiting the kinds of gifts they may receive. The amendment was adopted. The bill passed 65-0.

Sen. Jane Krentz (DFL-May Township) presented S.F. 2675, which expands the current requirement that public facilities have multiple recycling containers. Under the bill, any entity that receives funding from the state for capital improvements must have recycling containers on their premises. The Metro Council, Metropolitan Mosquito Control Agency, courts, school districts, towns and several other institutions are affected by the measure.

Sen. Jim Vickerman (DFL-Tracy) sponsored an amendment that requires the state to buy motor vehicle fuel that is clean fuel, such as biodiesel, hydrogen and ethanol blends, for state-owned vehicles. The amendment also mandates that vehicles bought by the state be compatible with clean fuels.

Sen. Dan Stevens (R-Mora) said he had recently purchased ethanol fuel that was cheaper than regular gas for his car. He said the provision is unlikely to increase costs to the state.

Limmer offered an amendment to the amendment, which was approved, that requires the state to buy clean fuel only when it is reasonably affordable to do so. The bill, as amended, was passed 58-6.

The Minnesota Pollution Control Agency, under a bill presented by Sen. Linda Higgins (DFL-Mpls.), is rid of two programs, which are no longer active. Higgins said the bill incorporates recommendations by the agency, which has suffered budget cuts, to reduce the cost of its operations. The bill also creates the Central Iron Range Sanitary Sewer District. The members voted 63-0 in favor of the measure.

Committee update

H.F. 197, which appropriates \$7.8 million for the conversion of public television stations to digital transmission, was also heard by the Senate. The bill, which passed 59-6, is authored by Sen. Keith Langseth (DFL-Glyndon).

The Senate considered four bills for concurrence and repassage. The members concurred with House amendments 62-0 on S.F. 2419, authored by Sen. Arlene Lesewski (R-Marshall). The bill regulates portable wading pools in family care settings.

Sen. Bob Lessard's (IND-Int'l Falls) S.F. 2768, which changes provisions in the medical assistance demonstration project, was granted repassage on a 64-0 vote.

S.F. 3073, sponsored by Sen. David Knutson (R-Burnsville), clarifies the standard for a misdemeanor violation of orders for protection and no contact orders and was repassed 62-0.

The Senate voted 61-0 to repass Sen. James Metzen's (DFL-South St. Paul) S.F. 3117, which permits the transfer or disposal of interceptor facilities.

Thursday, March 21

Bills granted final passage

In addition to tackling the omnibus transportation funding bill, the "do not call" bill and the anti-terrorism initiative at the floor session Thurs., Mar. 21, members also granted final passage to several bills on Special Orders.

S.F. 2881, authored by Sen. Richard Cohen (DFL-St. Paul), addresses the need for low and moderate housing by specifying discretionary municipal subdivision authority.

S.F. 3187, carried by Sen. Sandra Pappas (DFL-St. Paul), amends and repeals unneeded and obsolete education provisions.

H.F. 2882, sponsored by Sen. Satveer Chaudhary (DFL-Fridley), regulates the operation of electric personal assistive mobility devices, such as the Segway device, on sidewalks and roadways.

S.F. 2707, authored by Sen. Steve Kelley (DFL-Hopkins), fills in an inadvertent omission for a temporary increase in the surcharge for filing and recording documents to fund the Real Estate Task Force.

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Senate on the World Wide Web

The Minnesota Legislature's Web site has been updated. A joint effort of the Senate, House of Representatives, Legislative Reference Library, Legislative Commissions, and the Office of the Revisor of Statutes, the site offers easier access to a variety of legislative and government information.

The Legislature's page (<http://www.leg.mn>) includes links to other government agencies and departments, as well as copies of Minnesota Statutes, Session Laws, and Rules. The page also allows one to track legislation and get general information about the legislative process. The site includes a district finder service for those who need to contact their House member or Senator. Other information—about visiting the Capitol, state history and symbols, and employment opportunities with the Legislature—is also available.

Information about joint legislative departments, the various legislative commissions, and task forces is available at <http://www.commissions.leg.state.mn.us>.

The House of Representatives Web page (<http://www.house.mn>) includes membership and committee information. It also has daily news, information, and the daily House schedule. House journals and legislative information are also available.

The Senate Web site (<http://www.senate.mn>) has information about members, committees and Senate staff. The page also has daily and weekly schedules for the Senate, as well as copies of the Journal and Senate Briefly. The status of legislation and confirmation of executive appointments by the Senate is also available.

Both the Senate and House Web sites offer streaming video access to floor and selected committees.

Streaming Videos Available

Two videos, "Discover the Capitol" and "Rules, Laws and Process," can now be accessed through the Legislature's website at <http://www.leg.state.mn.us/leg/youth/video.htm> (Requires Real Player or Windows Media Player.) These videos are excellent sources of information on the history of the State Capitol and on how laws are made in Minnesota. For more information or to borrow a video tape of either program contact Senate Media Services at (651) 296-0264.

Floor action

Monday, March 18

Bills granted final passage on Special Orders

- S.F. 2697-Rest:** Establishes disclosure requirements for sellers of residential real estate. 61-4
- S.F. 2821-Scheid:** Regulates the conduct of real estate industry licensees, modifies disclosures and regulates investigations by the commissioner of commerce. 66-0
- S.F. 3200-Johnson, Dean:** Provides that a nonprofit organization operating an environmental learning center is a municipality for purposes of tort claims. 58-6
- S.F. 3140-Ring:** Provides that wage credits earned by certain school food service employees may be used for unemployment benefit purposes. 40-27

Tuesday, March 19

Bills granted concurrence and repassage

- S.F. 2932-Krentz:** Encourages citizen water quality monitoring. 59-0

Bills granted final passage on Special Orders

- S.F. 3075-Cohen:** Provides for payment of sales tax on a motor vehicle sold in violation of dealer licensing requirements and abolishes misdemeanor penalties for certain offenses relating to vehicle titles. 62-0
- S.F. 2859-Cohen:** Changes the deadline for the submission of the governor's budget to the Legislature. 62-0
- S.F. 2909-Sams:** Permits a health maintenance organization rural demonstration project and modifies enrollee cost-sharing provisions for health maintenance organizations. 62-0
- S.F. 2986-Robertson:** Requires school districts to submit timely information about teacher contract settlements. 61-0
- S.F. 2793-Vickerman:** Require the commissioner of human services to develop a plan to certify out-of-state facilities that care for children with severe emotional disturbance. 56-0
- S.F. 2486-Samuels:** Modifies requirements for major spending commitments of radiation therapy facilities. 53-10
- S.F. 3148-Berglin:** Provides for accessory dwelling units and requires municipalities to report separate permit totals for certain types of residential units. 43-20
- S.F. 2673-Cohen:** Provides for custody of children by de facto custodians and third parties. 62-0

Bills granted final passage under suspension of rules

- H.F. 3618-Lanseth:** Omnibus bonding bill. 51-14

Bills granted final passage on the Consent Calendar

- S.F. 2392-Metzen:** Modifies emergency 911 telephone system provisions to establish emergency 911 telecommunications system. 64-0
- S.F. 2569-Stevens:** Clarifies items to be considered means of support for residents of Minnesota Veterans Homes. 63-0

Wednesday, March 20

Bills granted concurrence and repassage

- S.F. 3117-Metzen:** Provides for the transfer or disposal of sewer interceptor facilities. 61-0
- S.F. 2419-Lesewski:** Defines portable wading pools and clarifies the use

- of portable wading pools at family day care settings. 62-0
- S.F. 2768-Lessard:** Changes provisions in the Medical Assistance demonstration project. 64-0
- S.F. 3073-Knutson:** Clarifies the standard for a misdemeanor violation of protection and no contact orders. 62-0

Bills granted final passage on Special Orders

- S.F. 2542-Scheid:** Regulates business corporations and limited liability companies, provides legal recognition of electronic records and signatures and regulates meetings by means of remote communications. 65-0
- S.F. 3272-Kelley:** Enacts the Telecommunications Consumer Privacy Act. Provides for the privacy of telecommunications customer information and requires consent for disclosure of customer information. 64-0
- S.F. 2908-Kelley:** Regulates electronic mail solicitations, protects privacy of Internet consumers and regulates use of information about Internet users. 65-0
- S.F. 3028-Kelley:** Authorizes the Minnesota Commission on National and Community Service to create and delegate duties to a private nonprofit corporation. 65-0
- S.F. 2675-Krentz:** Modifies the application of recyclable material container requirements for public entities. 58-6
- S.F. 3134-Higgins:** Clarifies individual sewage treatment classification, abolishes the waste tire grant and loan program, requires a water quality permit progress report and establishes the Central Iron Range Sanitary Sewer District. 63-0

Bills granted final passage under suspension of the rules

- H.F. 197-Langseth:** Provides for grants to certain noncommercial television stations to assist with conversion to a digital broadcast signal as mandated by the federal government. 59-6

Thursday, March 21

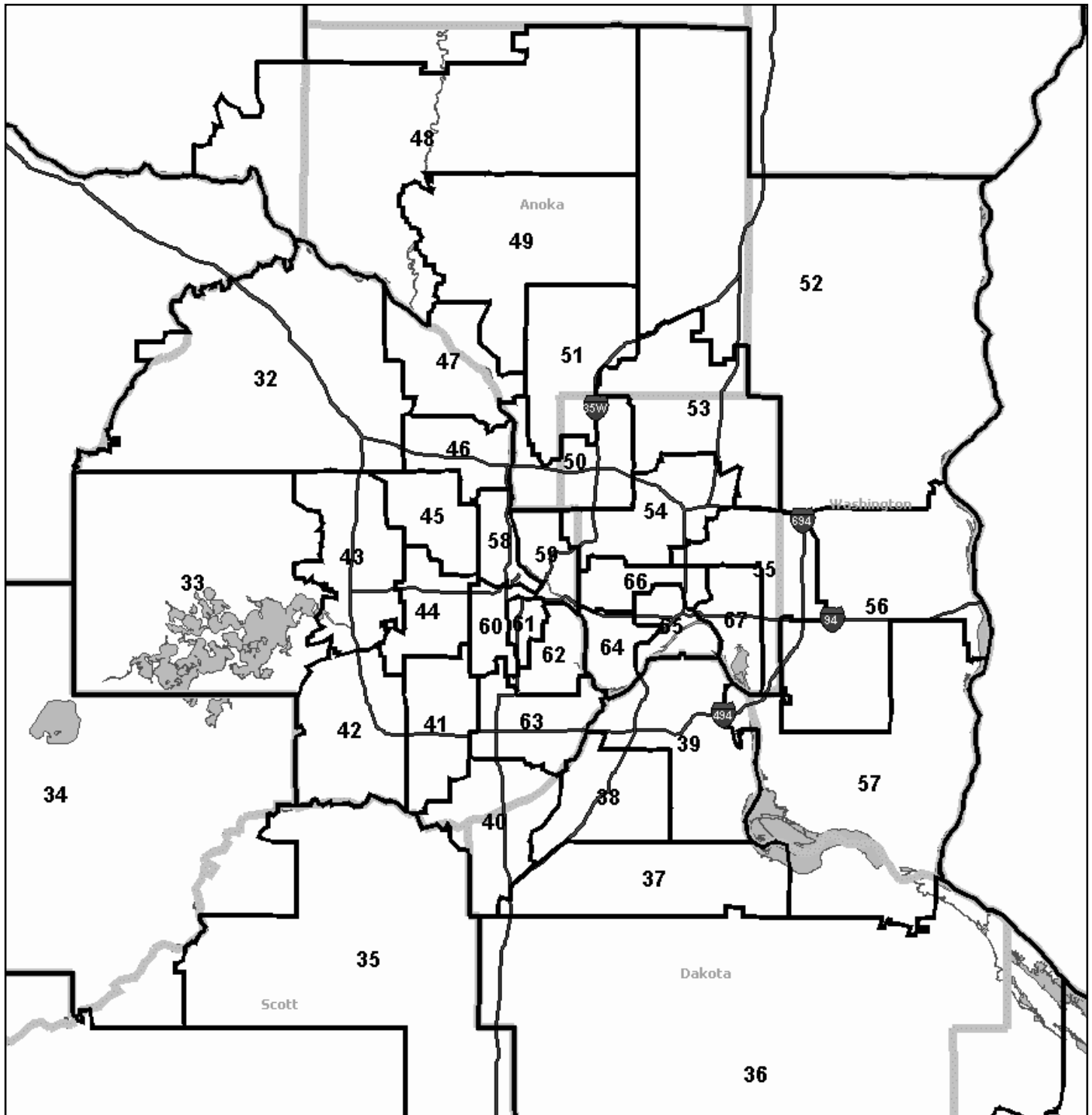
Bills granted final passage on Special Orders

- S.F. 2881-Cohen:** Specifies discretionary municipal subdivision authority. 39-19
- S.F. 3246-Cohen:** Limits unsolicited telephone calls and expands the Public Utilities Commission investigation enforcement authority. 65-1
- S.F. 3187-Pappas:** Amends and repeals unneeded and obsolete education provisions. 64-0
- H.F. 2882-Chaudhary:** Regulates the operation of electric personal assistive mobility devices on roadways and sidewalks. 53-4
- S.F. 2707-Kelley:** Fills in an inadvertent omission for a temporary increase in the surcharge for filing and recording certain documents to fund the Real Estate Task Force and extends the effective date for the surcharges. 56-0

Bills granted final passage under suspension of rules

- S.F. 2812-Johnson, Dean:** Omnibus transportation and transit funding bill. 39-26
- H.F. 2622-Ranum:** Enacts the Minnesota Anti-Terrorism Act of 2002. 66-0

Redistricting Plans

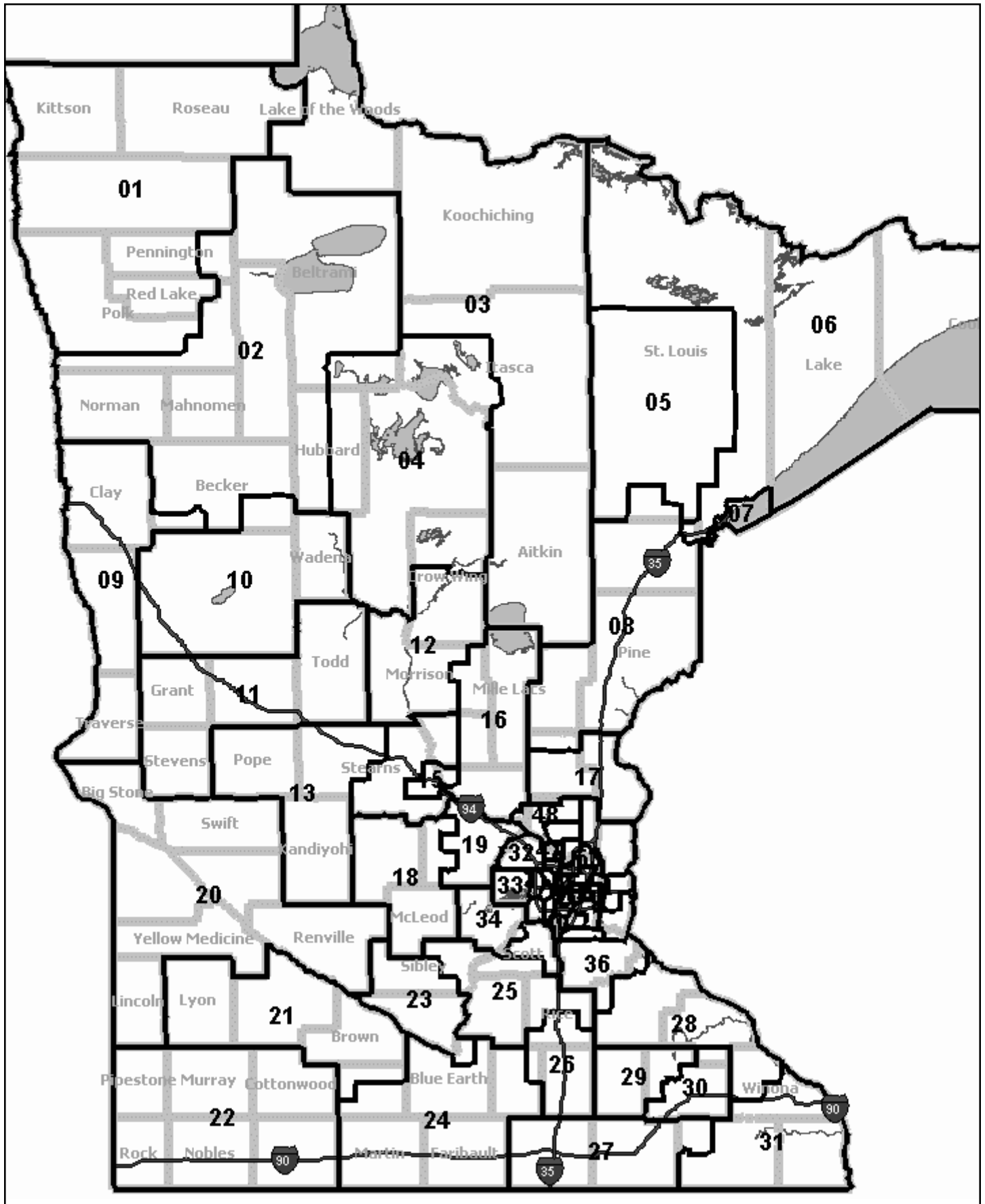


Maps of the redistricting plan advanced by the special redistricting panel appointed by Chief Justice Kathleen Blatz. Under federal law, states must enact new districts for state legislators and congressional representatives after every decennial census. Since the Legislature and governor did not act before Mar. 19, the panel released its plans.

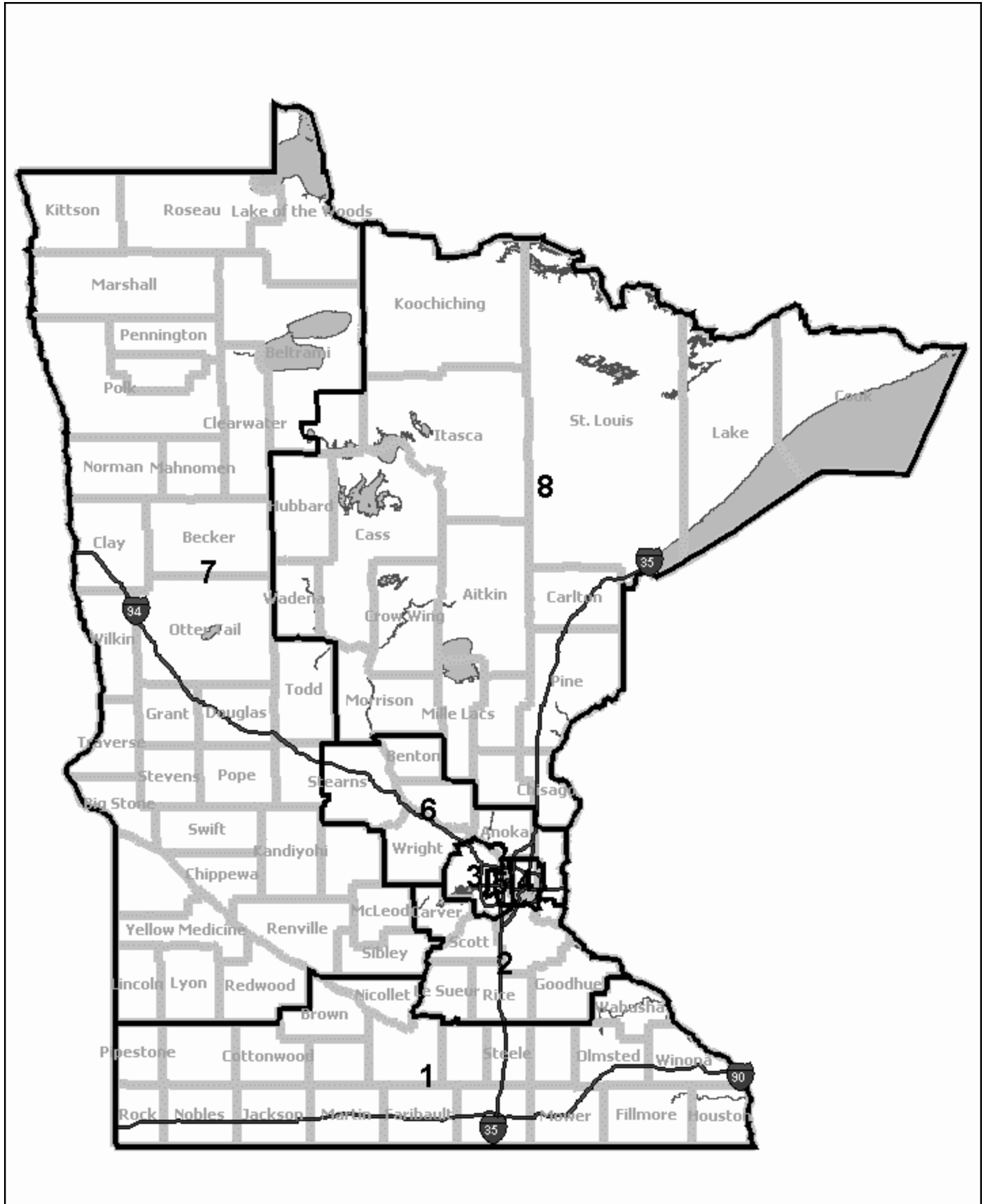
Above, Metro Area Senate districts. Next page, a statewide map of the new Senate districts.

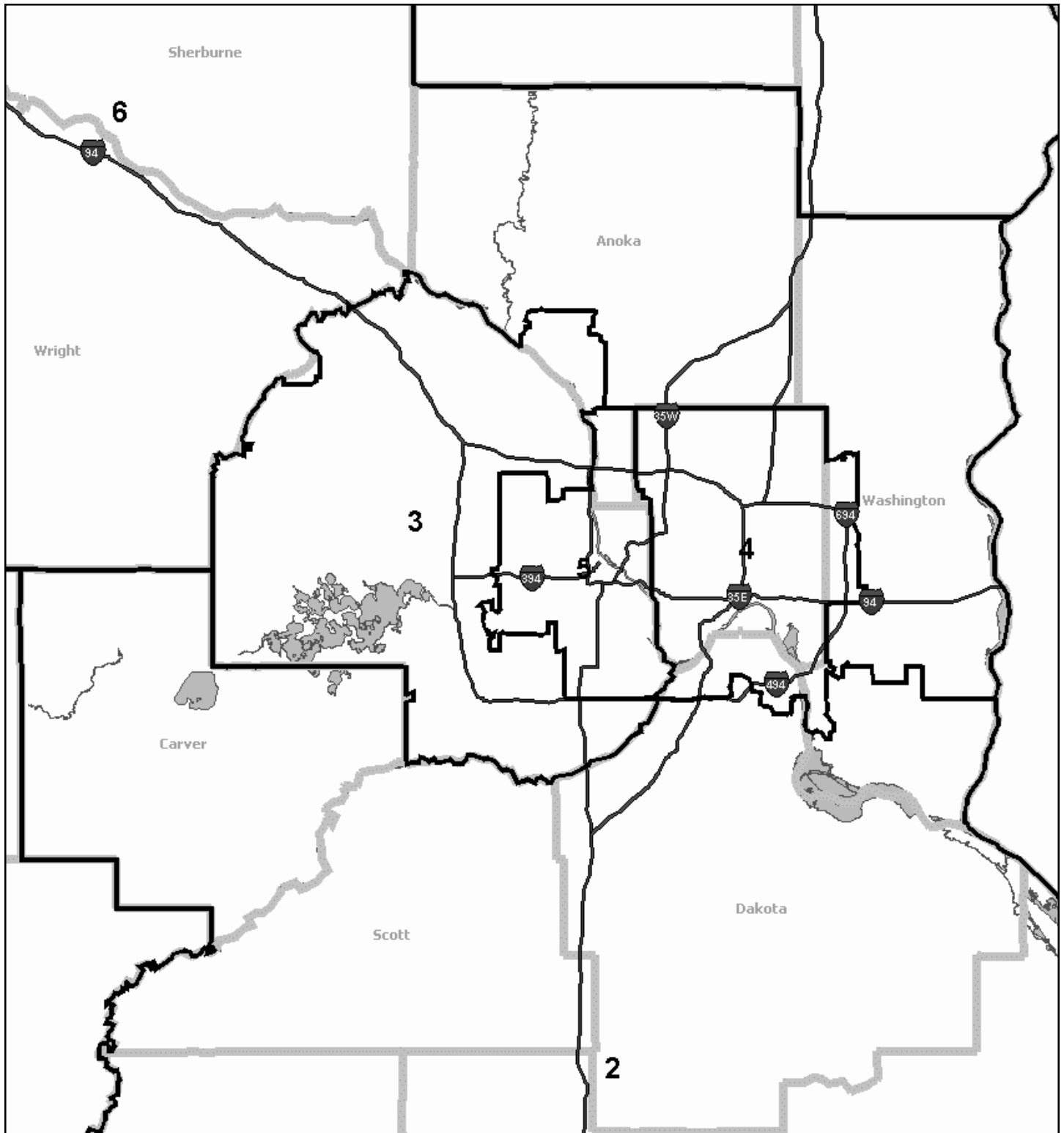
Following pages, statewide and Metro Area Congressional districts, as drawn by the special panel.

Maps courtesy LCC Geographic Information Systems



Redistricting Plans





The full text of the panel's orders in the cases challenging the current district maps—as well as various maps and data reports—can be found online at http://www.courts.state.mn.us/cio/redistricting_panel.htm

Interactive maps and other information can be found on the Legislature's Geographic Information Systems office web site at <http://www.commissions.leg.state.mn.us/gis/html/plans2002.html>

Legal discussions and explanations of redistricting, prepared by the Office of Senate Counsel and Research, can be found at <http://www.senate.leg.state.mn.us/departments/scr/treatise/>

Minnesota Senate 2002

Party	Phone	Name	Room	District	Party	Phone	Name	Room	District
DFL	296-5537	Ellen R. Anderson	120 Cap.	66	DFL	296-4370	James P. Metzner	322 Cap.	39
R	296-4351	Michele M. Bachmann	125 SOB	56	DFL	296-2577	Roger D. Moe	208 Cap.	2
R	296-5975	William V. Belanger, Jr.	113 SOB	41	DFL	296-5285	Mee Moua	323 Cap.	67
R	296-5094	Charles A. Berg	25 SOB	13	DFL	296-4264	Steve Murphy	306 Cap.	29
DFL	296-4261	Linda Berglin	309 Cap.	61	R	296-1279	Thomas M. Neuville	123 SOB	25
DFL	296-2556	Don Betzold	G-9 Cap.	48	R	296-4837	Edward C. Oliver	117 SOB	43
DFL	296-4334	Satveer Chaudhary	325 Cap.	52	R	296-1282	Gen Olson	119 SOB	34
DFL	296-5931	Richard J. Cohen	317 Cap.	64	DFL	296-4191	Myron Orfield	227 Cap.	60
R	296-9457	Dick Day	147 SOB	28	R	296-5981	Mark Ourada	145 SOB	19
R	296-4131	Steve Dille	103 SOB	20	DFL	296-1802	Sandra L. Pappas	120 Cap.	65
R	296-2084	Michelle L. Fischbach	15 SOB	14	R	296-5252	Pat Pariseau	109 SOB	37
DFL	296-4154	Leo T. Foley	G-24 Cap.	49	DFL	296-7809	Lawrence J. Pogemiller	235 Cap.	59
DFL	296-5713	Chuck Fowler	G-9 Cap.	26	DFL	297-8060	Leonard R. Price	235 Cap.	57
R	296-8138	Dennis R. Frederickson	139 SOB	23	DFL	297-8061	Jane B. Ranum	120 Cap.	63
DFL	296-9246	Linda Higgins	328 Cap.	58	R	296-1253	Mady Reiter	132D SOB	53
DFL	296-6153	John C. Hottinger	205 Cap.	24	DFL	296-2889	Ann H. Rest	G-24 Cap.	46
DFL	296-9261	David H. Johnson	124 Cap.	40	DFL	296-5419	Twyla L. Ring	306 Cap.	18
DFL	296-3826	Dean E. Johnson	124B Cap.	15	R	296-4314	Martha R. Robertson	141 SOB	45
R	296-3219	Debbie J. Johnson	149 SOB	50	R	296-4123	Claire A. Robling	143 SOB	35
DFL	296-8881	Douglas J. Johnson	205 Cap.	6	DFL	296-4274	Julie A. Sabo	317 Cap.	62
DFL	297-8065	Steve Kelley	321 Cap.	44	DFL	297-8063	Dallas C. Sams	328 Cap.	11
R	296-5649	Bob Kierlin	127 SOB	32	DFL	296-4875	Don Samuelson	120 Cap.	12
DFL	296-4913	Anthony G. "Tony" Kinkel	G-9 Cap.	4	R	296-3903	Kenric J. Scheevel	129 SOB	31
R	296-4848	Sheila M. Kiscaden	135 SOB	30	DFL	296-8869	Linda Scheid	303 Cap.	47
R	296-6455	Dave Kleis	107 SOB	16	R	296-9248	Grace S. Schwab	151 SOB	27
R	296-4120	David L. Knutson	133 SOB	36	DFL	296-4188	Yvonne Prettner Solon	303 Cap.	7
DFL	296-7061	Jane Krentz	111 Cap.	51	R	296-8075	Dan Stevens	105 SOB	17
DFL	296-3205	Keith Langseth	122 Cap.	9	DFL	296-8660	LeRoy A. Stumpf	G-24 Cap.	1
R	296-5655	Cal Larson	153 SOB	10	R	296-6238	Roy Terwilliger	115 SOB	42
R	296-4125	Arlene J. Lesewski	131 SOB	21	DFL	296-8017	David J. Tomassoni	111 Cap.	5
IND	296-4136	Bob Lessard	G-51 SOB	3	DFL	296-5650	Jim Vickerman	226 Cap.	22
R	296-2159	Warren Limmer	155 SOB	33	DFL	297-8073	Deanna L. Wiener	303 Cap.	38
DFL	296-0293	Becky Lourey	G-9 Cap.	8	DFL	296-6820	Charles W. Wiger	301 Cap.	55
DFL	296-5645	John Marty	325 Cap.	54					

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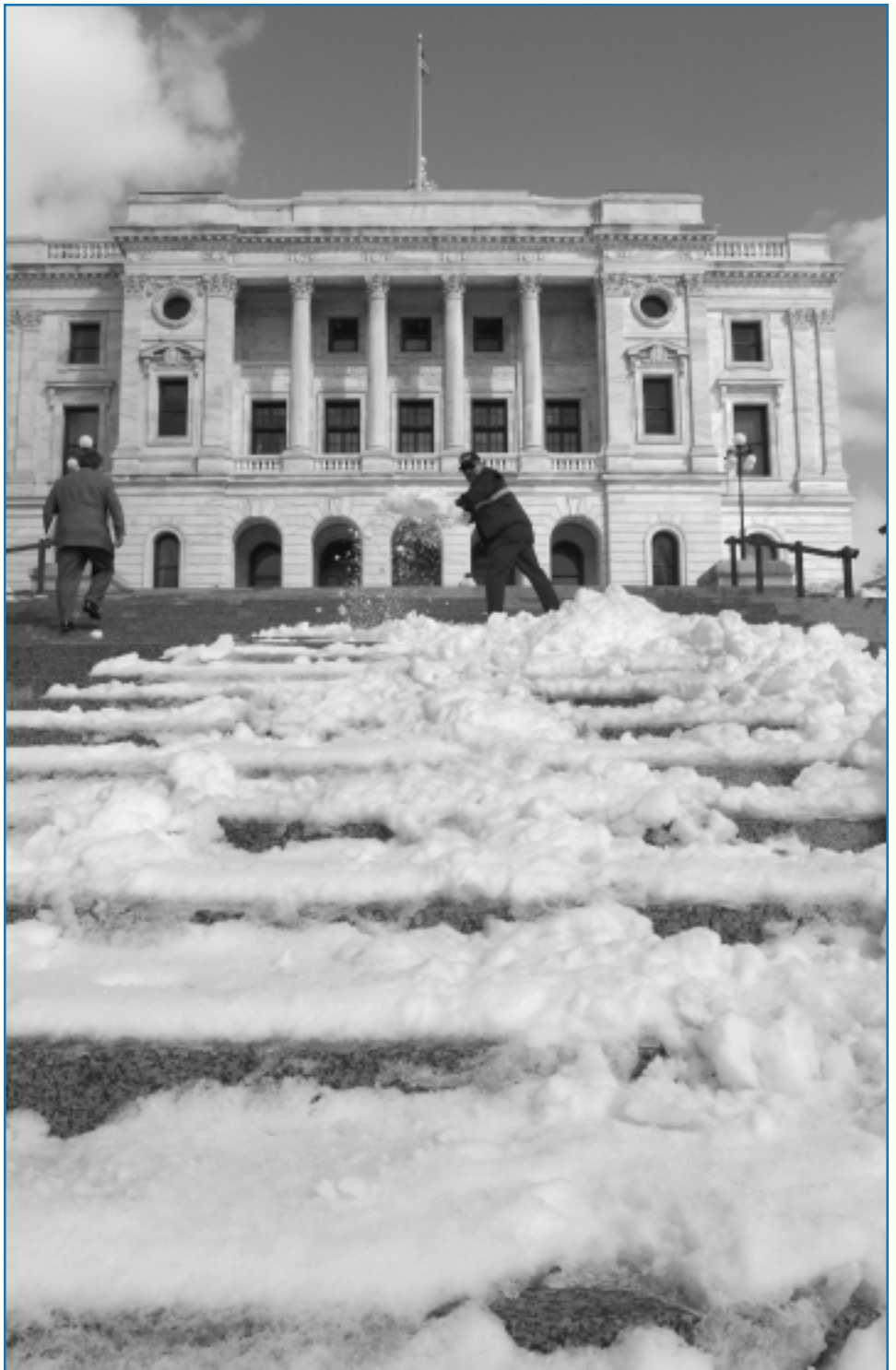
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Page 24 Conference committees

Plant Management employee Art Casselo clears the remnants of a cruel April Fool's joke from the west steps of the Capitol. Photo by Shelley Hawes



March 29 and April 5, 2002

Senate Highlights

Conference committees begin

Upon returning from a short five day break, Senators turned their attention to completing floor action on the major bills of the session and beginning conference committee negotiations to resolve differences between Senate and House versions of the bills. Conference committees are working to hammer out compromises on a "Phase II" budget reconciliation bill, a stadium funding proposal, anti-terrorism measures, transportation funding and a host of other issues.

This issue of Senate Briefly covers Senate committee and floor action from Friday, March 22, through midday Thursday, April 4. The next issue of Senate Briefly will again span a two week period.

In addition, this issue of Senate Briefly contains a listing of all bills signed into law as of Thursday, April 4, along with a listing of all the conference committee members appointed thus far.

For the latest information on conference committee schedules, please call the Senate Information Office at (651) 296-0504 or, if calling from Greater Minnesota, 1-888-234-1112. In addition, the Senate web site will be updated regularly with the latest information available. The

web site may be found at:
<http://www.senate.leg.state.mn.us>

Stadium bills examined

Chairs Sen. Dean Johnson (DFL-Willmar) and Rep. Harry Mares (R-White Bear Lake) convened the Stadium Conference Committee Wed., Apr. 3, to hear presentations on the various stadium proposals and the perspective of the current Minnesota Twins ownership.

House analyst Joel Michael presented the House version of the bill. Michael said under the bill the Metropolitan Sports Facilities Commission transfers \$15 million from its reserves to create a gift fund, which is used to pay debt service on bonds that will be issued. According to the bill, potential host cities will bid in front of an executive council comprised of state constitutional officers, and the council will select a site by July 1, 2002. The bill also includes a provision that requires the current owners of the Twins to allow the possibility of community ownership if the current owners decide to sell.

Michael said under the bill the state issues \$330 million in state revenue bonds, which will be secured by a combination of the gift fund, facility revenues, and local taxes. The bill requires the team to

contribute half of the cost of construction, \$165 million, into the gift fund and requires an agreement between the team and city to supplement the gift fund with at least \$10 million per year. The measure also requires a finding by the commissioner of finance that all revenues will be sufficient to meet bond payments, and requires reform of Major League Baseball (MLB) that increases the proportion of revenues for small market teams. The key assumption in the House version is that the gift fund will have an 8.5 percent annual return, and if the return is lower, the Twins will be responsible for making up the difference, Michael said.

Included in the bill are local tax provisions to facilitate the city's share of the annual debt service, subject to referendum. The bill allows a 10 percent admissions tax, a food and beverage tax of no more than 5 percent, a lodging tax of 5 percent maximum, and a parking surcharge of at least \$2. Michael said the Twins are required to sign a 30 year lease and MLB must guarantee a team in the state for the next 30 years.

Senate Counsel Pat Lien presented the Senate version. Lien said the structure of the Senate proposal is quite different, partially because the Senate bill includes provisions for a new football stadium as well. Lien described various taxes and surcharges used to pay debt service on bonds that will be issued, including a 13 percent sports memorabilia tax, 10 percent admissions tax, a 6.5 percent on-site gross revenue tax, facility charges for broadcasters and the media expected to raise \$3 million per year, and a daily \$1.50 surcharge on rental cars, the revenue of which will be equally divided among the stadium, airport noise mitigation, and affordable housing.

Under the Senate version, site selection is done by a reconstituted Metropolitan Sports Facilities Commission, with one member from each congressional district, Lien said. According to the Senate bill, the commission must seed a sports facility fund with \$10 million from its reserves, but the commission retains the naming rights of the stadium. Like the House bill, the team is required to contribute \$165 million and agree to similar financial guarantees, but the state is only bonding \$205 million of the estimated \$370 million total project cost. The debt service for the remainder will be covered by the various surcharges, fees, and local taxes, Lien said.

Senate Briefly is a publication of the Minnesota Senate Publications Office. During the 2002 Legislative Session, each issue reports daily Senate activities between Thursdays of each week, lists upcoming committee meeting schedules and provides other information. The publication is a service of the Minnesota Senate. No fee. It can be made available in alternative formats.

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Department of Finance official Peter Sausen described the governor's proposal, on which the House version was modeled. Sausen said under the proposal \$330 million in revenue bonds are issued by the state at 6.5 percent. The Twins make a \$165 million contribution to a gift fund that is invested with a long-term perspective and expected to return 8.5 percent annually, according to the administration plan. The annual debt service, Sausen said, is \$21 million, approximately \$11 million of which comes from the gift fund, and \$10 million from the team and/or local government.

The plan ensures that the interest payments will be met every year and guarantee a gift fund balance of \$330 million at the end of 30 years, Sausen said. Under the plan, the Twins role is to provide half of the up-front costs and assume the risks associated with the plan,

such as supplementing the gift fund if returns are lower than expected. Sausen added that the plan is flexible in many aspects, including interest rate assumptions, gift fund balances, and annual contributions. Sausen addressed lawmakers' concerns by assuring the committee that bonds could be sold at the stated interest rates and that they would be attractive to the bond market.

Twins President Jerry Bell said he felt the House version of the stadium bill has merit, but flexibility is needed. "We are trying to figure out if it makes more sense to pay more in interest along the way than up front," Bell said. "With modifications to the bill, we might be able to find a new buyer. It isn't necessary to change the fundamental economic assumptions of the bill, but we would like to partner with the local unit of government to determine how and when local taxes are used."

Ralph Strangis, a lawyer hired by Twins owner Carl Pohlad to find a new buyer for the team, presented an 18 point list to the committee outlining the changes the Twins believed were necessary to the House version. Strangis said the cost of the team combined with a \$165 stadium down payment will make it very difficult to find a new owner. "Potential buyers want to see if the net economics work. That's why we keep stressing the concept of flexibility," said Strangis.

Panel reviews anti-terrorism bills

The conference committee on H.F. 2622, the Minnesota Anti-Terrorism Act of 2002, began meeting Tues., Apr. 3. The panel, chaired by Rep. Rich Stanek (R-Maple Grove) and Sen. Jane Ranum (DFL-Mpls.), began the session by comparing the different versions of the bill passed by the Senate and House. Both versions of the bill enact a variety of anti-terrorism measures.

The meeting focused on the side by side comparisons of the two measures and highlighting identical and differing provisions.

The Senate version appropriates \$1.78 million for FY 2002 and \$18.288 million for FY 2003 to implement the provisions of the bill. Much of the funding is raised by increasing the 911 emergency telephone service fee, which is currently 27 cents per month. The measure also authorizes the sale of bonds to pay the costs of the public safety radio communication system.

The House version uses \$22 million from the tobacco use prevention and local public health endowment fund to provide revenue to implement the provisions of the bill.

Both versions of the measure increase penalties and define crimes associated with terrorism. In addition, both measures contain provisions for terrorism response training, emergency response and emergency powers.

The House version contains a number of additional provisions relating to anti-terrorism activities. For instance, the House version updates the wiretapping law to help interception of terroristic communications, authorizes closing public meetings to discuss security issues, authorizes embargoes limiting food and commodity movement, requires trucks to have USDOT carrier numbers and requires proof of residency for drivers' licenses.



Gazing down from the west gallery of the Senate chamber, University of Minnesota-Duluth women's hockey players, assistant coach and vice chancellor acknowledge applause—Tues., Apr. 2—from members of the Senate in honor of their second consecutive NCAA national collegiate women's ice hockey championship during a Senate floor session Tue., Apr. 2.

Photo by David J. Oakes

Committee update

Finance

School health plans debated

Members of the Finance Committee, chaired by Sen. Douglas Johnson (DFL-Tower), debated a bill establishing a committee to investigate options for health insurance coverage for school employees at their meeting Wed., Mar. 27.

The committee established by S.F. 1755, carried by Sen. LeRoy Stumpf (DFL-Thief River Falls), consists of 15 members whose objective is to collect information on current insurance coverage for school employees and to determine whether a new plan covering most or all school employees is viable. If a new plan is feasible, the committee must recommend the design of the new plan. Under the bill, information collected during the investigation must include data regarding employee group demographics, claim experience and other characteristics determined necessary to establish rate structures for a school employee insurance plan. Also, under the measure any new plan must be a large, true risk-sharing plan and must consist of consumer education provisions, including wellness programs and measures encouraging the wise use of health insurance coverage. The committee must submit an interim report regarding its findings to the Legislature by June 1, 2003, as well as a final report to the Legislature by June 1, 2004. The measure also appropriates \$900,000 to carry out the study.

According to Stumpf, one of the major issues in public education today is the rising cost of health coverage for employees. He said covering school employees cost approximately \$400 million last year and costs \$475 million this year. A similar jump, he said, is expected next year. He said a study must be done to make good decisions regarding future direction and to find a better and more efficient way to insure school employees.

"It's very costly and everyone realizes the costs are going up dramatically every year," he said.

Stumpf also said one of the major keys to any new health plan designed by the committee is the requirement in the bill to emphasize wellness programs as a key component. Money can be saved, he said, by simply making sure that the employees in the program are healthy.

"A huge amount of the cost of health care can be reduced by [good] behavioral

habits," he said. "This really is the key to containing health care costs."

Several Senators voiced their concerns with the bill. Sen. Martha Robertson (R-Minnetonka) said one way to reduce costs is to reduce the amount of benefits received. She said generous packages that may be unaffordable must be looked into if the entire gamut of school employee health plans is to be researched.

"I don't see that in the data being collected," she said.

However, Sen. David Johnson (DFL-Bloomington) said it appeared that her concerns are addressed in the section of the bill regarding the future design of any new plan.

Sen. Leo Foley (DFL-Coon Rapids) asked why the report is due for completion when the Legislature is not in session. He asked if it is possible to change the dates so that the study is due for completion during the session.

Responding, Stumpf said the study authorized in the bill is not a small undertaking. There are over 100,000 school employees in the state, he said, and it will take a considerable amount of time to analyze all of the information obtained. Sen. Mark Ourada (R-Buffalo) also said the due dates for the study are appropriate. He said it takes time for Legislators to digest information given to them. Also, it will be too late to take any action, he said, if Legislators are handed the information at the beginning of a session, rather than before.

Several Senators had concerns with the amount of money spent for the proposed study. Sen. Pat Pariseau (R-Farmington) asked why another study was being considered when several have been done already. She said she didn't want a study to be finished, filed away and ignored. Sen. Cal Larson (R-Fergus Falls) said the study takes too long. It should take only six months, he said. He also said spending \$900,000 to complete the study is a waste of money.

Sen. David Knutson (R-Burnsville) also said the study is a waste of money. He said similar studies have been done before. Knutson also said it may be better to simply take testimony from different school representatives regarding creative ways their employees receive health care.

"The last thing I want to do is take money out of the classroom for another study," he said.

Regarding the concerns, Stumpf said he envisioned funding for the study to

come from the budget reserves in the state's general fund. He did not want, he said, to reduce any per pupil funding or to reduce any other funding given to schools to pay for the study. He also said the study authorized in the bill has never been done before. Studies in the past, he said, have cost around \$85,000, and have only been a general overview of the system. He said his proposal goes beyond what has been done in the past.

"That information is not available now," he said. "No one has that information."

Others had concerns regarding the funding. Sen. Deanna Wiener (DFL-Eagan) asked how Stumpf arrived at the \$900,000 figure. She asked if the study could be done with less money. Sen. Linda Berglin (DFL-Mpls.) asked if it would harm the bill to wait until next year to provide the funding for it. She also said the funding should come from the education budget—not a different budget—and added she would be more comfortable if the bill specified that the funding must come from the education budget.

Stumpf said that he was told in his discussions with representatives from the Minnesota Department of Employee Relations that the cost of an actuarial study is around \$700,000. The rest of the \$900,000, he said, is divided between legal costs and committee expenses. He also said he would prefer to keep the dollar amount in the bill. David Johnson said the cost of providing health care to school employees is going to increase considerably again next year if nothing is done. That fact, he said, should be balanced against spending \$900,000 now to perhaps save more money later.

David Haugen, from the Department of Employee Relations, spoke regarding the breadth of the proposed study. He said previous studies have been done, but they have explored a variety of questions related to health insurance and have not just focused on schools. The studies, he said, have not been intensive investigations. He said information gathered in the previous studies is not sufficient to deal with all of the questions that need to be addressed in order for a committee to recommend the feasibility of a new plan. The study proposed in the bill, he said, takes the next step.

Sen. Dennis Frederickson (R-New Ulm) offered an amendment to eliminate the language specifying the new plan must

be a large “true risk-sharing” plan. He instead added language specifying that any new plan must be a large plan “including all eligible employees.”

He said the language in the bill was confusing and ambiguous. The amendment was adopted.

Wiener offered an amendment to require the goals of any new health plan to include “premium reduction and cost containment.”

Her amendment also requires recommendations to include the projected cost to implement a large plan. The amendment was also adopted.

Berglin made a motion to eliminate the \$900,000 appropriation from the bill. She said the funding should be moved out and the committee should allow the proposal to continue to be worked on. Where the funding comes from, she said, should be decided as the bill moves along. The amendment was adopted.

The bill, as amended, was approved and sent to the Senate floor.

State and Local Government Operations

Flag task force discussed

Members of the State and Local Government Operations Committee gathered briefly on Tues., Mar 24, to discuss a proposal to create a task force to redesign the state flag.

S.F. 3201 author Sen. Edward Oliver (R-Deephaven) said that while he likes the current state flag, many Minnesotans don’t find the flag to be particularly recognizable or memorable.

“Minnesota is considered to have one of the poorest flags in the country,” said Oliver, citing a recent survey of state flags.

Oliver said his bill creates a task force to study the form, design and style of the state flag. “It’s a minimal step,” he said.

Speaking in favor of the bill, Rochester flag business owner Lee Herold said the state should strive for a flag that isn’t just beautiful, but effective. “The flag should

be an important part of the fabric of the state and people,” he said.

Herold presented a model of what he envisioned a new state flag would look like. The flag was a simple design that incorporated a north star, and panels of blue, white and green to represent the state’s waters, winters and forests and agriculture. Herold said simplicity was the most important feature of the flag.

Sen. Jim Vickerman (DFL-Tracy), chair of the committee, defended the current flag.

“I don’t like it when people say we have an ugly flag,” Vickerman said, “When I look at that flag, it makes me proud to be a Minnesotan. I see part of myself in that flag. I would keep it in a minute.”

Sen. Don Betzold (DFL-Fridley) questioned why the Legislature needed to form a task force when interested citizens could organize themselves. Oliver replied any redesign effort would need a platform for visibility.

The motion to approve S.F. 3201 failed.



Minority Leader Dick Day (R-Owatonna), left, advises Senators Kenric Scheevel (R-Preston) and Michele Bachmann (R-Stillwater) during a recent Senate floor session.

Photo by David J. Oakes

Committee update



Representing the anti-smoking group Target Market, youth from throughout the state fill the Capitol rotunda, as banners representing the reduction in the number of teenage smokers per county hang from the second floor. Photo by Shelley Hawes

Taxes

Abortion language added

Members of the Tax Committee resumed consideration of S.F. 3436, the second phase of budget reconciliation, Thurs., Mar. 21. The panel, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.) had before it an amendment offered by Sen. Michelle Fischbach (R-Paynesville). The amendment appropriates funds for the implementation of a 24-hour waiting period for abortion.

Pogemiller urged members to reject the amendment, saying it did not belong in a tax bill. However, the committee adopted the amendment on a 16-13 roll call vote. Other amendments to the bill, including changing from 60 cents to 64 cents the amount by which cigarette taxes will be raised, were also adopted.

Members took no action on the bill, which is sponsored by Sen. Douglas Johnson (DFL-Tower).

Floor action

Friday, March 22

DNR bill approved

Most of the morning portion of the Fri., Mar. 22 floor session was dedicated to debate surrounding the Department of Natural Resources (DNR) wildlife and forestry bill. Bill sponsor Sen. Jane Krentz (DFL-May Township) said included in S.F. 2674 are provisions pertaining to timber sales modifications, a prairie chicken hunting license lottery, turtle sellers licensing, aquatic plant control permits, and firearms safety programs.

Sen. Leonard Price (DFL-Woodbury) offered an amendment that temporarily removes restrictions on the production of tree seedlings. The amendment was adopted. A Krentz amendment was adopted that authorizes a study reviewing citation authority for both nonconservation and conservation officers. Sen. Kenric Scheevel (R-Preston)

offered an amendment that prohibits shining a bright light to spot wild animals while in a moving vehicle. Sen. Leo Foley (DFL-Coon Rapids) questioned the value of a law that would be very difficult to enforce. The amendment was adopted.

An amendment that restricts all-terrain vehicles (ATVs) to DNR authorized trails for off-road activities was put forth by Sen. Anthony "Tony" Kinkel (DFL-Park Rapids). Kinkel said unrestricted ATV use is destroying the state's forests. "Seventy-two percent of Minnesotans want limits on ATV cross country use," he said, "and 13 percent want to see them banned." Kinkel said the amendment does not prohibit cross country ATV use until the DNR builds 2,000 miles of trails. An amendment to the amendment was accepted that excludes off-road ATV use for hunting purposes. The provision arose from concerns raised by Sen. Steve Dille (R-Dassel).

Sen. LeRoy Stumpf (DFL-Thief River Falls) opposed the amendment because he

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said it was inappropriate for the bill and never had a hearing during the session. "This is such a dramatic change from the current policy," Stumpf said. "This amendment really should have undergone the scrutiny of the committee as well further study." Sen. Dan Stevens (R-Mora) echoed Stumpf's concerns. "This is a major policy decision. This is a very controversial provision on a non-controversial bill," Stevens said. Stevens then asked for a ruling on the germaneness of the amendment to the bill. Senate President Don Samuelson (DFL-Brainerd) said that since it was an omnibus bill, the amendment was germane.

Krentz said she supported the Kinkel amendment and Sen. Becky Lourey (DFL-Kerrick) said that it is a jump start to preserve the state's forests. The amendment was adopted on a 41-21 vote.

Sen. Dallas Sams (DFL-Staples) offered a two part amendment that allows a husband and wife team who are both licensed turtle sellers to check each other's traps and removes a provision that requires a daily log of turtle trap locations. The amendment was split and members voted on each section separately. The first section of the amendment, allowing spouses to check each other's traps, was adopted. Sen. Pat Pariseau (R-Farmington) said the requirement for daily logs of trap locations was unreasonable. This sentiment was echoed by Sen. Charles Berg (R-Chokio), who said it is impossible to keep track of the exact location of traps because they float around. The second half of the amendment was adopted as well.

Berg offered an amendment to delay the effective date of the bill by one year. The amendment was rejected by members.

Motorized decoys are allowed to be used to hunt geese, according to an amendment offered by Sen. David Knutson (R-Burnsville). The amendment is an exception to the prohibition of the use the motorized decoys in duck hunting, said Knutson. The amendment was adopted. However, Sen. Michelle Fischbach (R-Paynesville) said the DNR doesn't not support the prohibition of the use of motorized duck decoys in the bill, and offered an amendment that repeals the prohibition. Among the Senators who spoke in opposition to the amendment, Sen. Douglas Johnson (DFL-Tower) said the motorized decoys violate the spirit of fair chase in hunting and feared the devices' growing popularity. "Now is the

time to ban these motorized decoys. Any later, and it will only be harder." The amendment failed.

Sen. David Tomassoni (DFL-Chisholm) offered an amendment that requires emergency hazard lights on snowmobiles after June 30, 2005. Stumpf said he didn't think the requirement was necessary because the industry has been making safer machines. Sen. Debbie Johnson (R-Ham Lake) said that snowmobiles have plenty of lights and are clearly visible at night without additional regulations. Tomassoni replied the hazard lights are necessary to ensure night visibility during stalls or engine failure. The amendment was adopted. Tomassoni also offered another amendment that legalizes the hunting of farmed cervidae. Sen. Linda Higgins (DFL-Mpls.) characterized the amendment as shooting "Bambi in a barrel." The amendment failed 21-38.

S.F. 2674 was granted final passage on a 56-4 vote.

Special Orders bills passed

Sen. Becky Lourey (DFL-Kerrick) offered H.F. 1224, which defines medical response units and outlines their mandatory qualifications. The members approved the bill 53-0.

Persons who have their driver's licenses suspended due to failure to pay child support may have limited driving privileges reinstated, under S.F. 3114, sponsored by Sen. Thomas Neuville (R-Northfield). "When licenses are suspended, people can't get to work, can't get to school, can't get to chemical dependency treatment," he said. S.F. 3114, he said, is necessary to prevent suspended licenses from creating greater obstacles to paying child support. The bill was passed 52-3.

Sen. Dennis Frederickson (R-New Ulm) brought forth a bill that changes the wastewater infrastructure funding program from a grant giving program to a revolving loan fund. The bill specifies that the Public Facilities Authority prioritize the list of projects needing funding. The measure was passed by the Senate 54-0.

Sen. David Knutson (R-Burnsville) presented S.F. 2618, which requires public employees with evidence of theft, embezzlement, or unlawful use of public funds to promptly report to law enforcement and the state auditor. Knutson said the involvement of law enforcement officials in investigations will result in

more efficient criminal trials dealing with misuses of public funds. The bill also permits law enforcement and the state auditor to share information about crimes.

Sen. Leonard Price (DFL-Woodbury) offered an amendment to the bill that allows schools to share data with juvenile justice workers. The amendment was adopted and the bill was passed.

Sen. Dean Johnson (DFL-Willmar) brought forth S.F. 3298, the Dept. of Transportation's (MNDOT) housekeeping bill. Sen. Sheila Kiscaden (R-Rochester) offered an amendment, which the Senate adopted, that creates a tow truck certification system. She said the different levels of certification would help the state to keep track of which towing companies are capable of handling complicated, emergency situations, such as two semi-trucks colliding on a highway.

Sen. Grace Schwab (R-Albert Lea) moved to amend S.F. 3298 to have all commercial trucks carrying more than 10,000 pounds to have U.S. Dept. of Transportation numbers. She said the requirement allows the state to know what trucks are carrying and where they are destined. The amendment was adopted.

The Senate also adopted an amendment offered by Sen. Satveer Chaudhary (DFL-Fridley), that permits local governments to prohibit commuter trains from blowing whistles near commuter rail stations. He said the provision is needed to prevent noise pollution in communities where commuter rail will eventually be developed.

Sen. Douglas Johnson (DFL-Tower) presented an amendment, which the Senate adopted, that requires MnDOT to consider traffic to and from Canada for planning purposes. Knutson successfully offered an amendment that allows all local metropolitan governments to sell or dispose of towed vehicles 15 days after notice has been sent to the vehicle's owner.

Sen. Claire Robling (R-Prior Lake) brought forth an amendment, which was adopted, that clarifies permitted use of shoulders by buses and sets up a demonstration project testing the use of van pools on shoulder lanes.

Noncommercial transportation of large boats is allowed with the purchase of a \$60 annual permit, under an amendment offered by Sen. Warren Limmer (R-Maple Grove). He said the changes are needed because one of his constituents must buy a

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permit for every time he hauls his wide boat to the lake. The Senate approved the changes.

Sen. Steve Murphy (DFL-Red Wing) authored an amendment that adds a \$7.30 surcharge on moving violations and dedicates the funds to the state trooper account fund. "Speeders are the reason we have state troopers," he said, "so let's make them pay." He said currently there are no state troopers on the road in Greater Minnesota after midnight except in Duluth and Rochester. On a 13-45 vote, the amendment failed. The Senate passed S.F. 3298 on a 56-0 roll call vote.

Human services bill approved

Sen. Linda Berglin (DFL-Mpls.) carried S.F. 3099, a bill containing a number of human services provisions. The bill allows the ombudsman for corrections to apply for or receive certain grants, makes changes to continuing care programs, modifies case manager continuing education requirements, adds an exemp-

tion from pre-admission screening requirements and modifies targeted case management client contact requirements. The measure requires a case management services study, modifies planned closure rate adjustment provisions, corrects inconsistencies in mental health services coverage in border states, requires plumbers to be licensed, establishes inspection requirements for new plumbing installations, licenses restricted plumbing contractors and allows fees to be charged in order to hire staff.

In one of the more substantive portions of the bill, S.F. 3099 also establishes a moratorium—to expire June 30, 2004—on the 60-month time limit for eligibility to receive Minnesota Family Investment Plan (MFIP) assistance. The assistance provision also expands those eligible to receive hardship extensions to include individuals designated as hard to employ because they are victims of family violence and are participating in an alternative employment plan. The measure

also expands those eligible to receive hardship extensions to individuals who are employed if they belong to an assistance unit, work less than 30 hours per week and are limited in the number of hours they may work because of an illness or disability. The measure gives the extension to individuals receiving Temporary Assistance to Needy Families (TANF) funds under certain conditions as well.

Berglin said the moratorium provision is necessary because MFIP participants are finding it difficult to work the hours needed under the program to avoid sanctions. She also said the moratorium on placing a time limit on assistance affects approximately 900 families during 2003 and costs about \$6 million. The money to fund the moratorium, she said, comes from federal TANF grants. The bill was approved by a vote of 34 to 26.

In other action on Special Orders, members granted final passage to S.F. 2125, the consolidated conservation (Con-Con) bill, carried by Sen. Roger D.



Sen. Chuck Fowler (DFL-Fairmont), center, confers with Senators Leo Foley (DFL-Coon Rapids), left, and John Marty (DFL-Roseville), right, on the floor of the Senate.

Photo by David J. Oakes

Moe (DFL-Erskine). The bill designates 102,315 acres of consolidated conservation lands in the state as wildlife management areas. Because of the current budget crisis, Sen. Dan Stevens (R-Mora) wondered how much land the state really needed to own. "When is it appropriate to put land in private hands and onto the tax rolls?" he asked. Several other Senators spoke in favor of the measure.

Members also granted concurrence and repassage to several bills. S.F. 2550, carried by Berglin, facilitates federal funding for health programs in schools. S.F. 2953, carried by Sen. John Hottinger (DFL-Mankato), prohibits excess insurance on property. Sen. Michelle Fischbach (R-Paynesville) authored S.F. 2546, a bill relating to the consolidation of the towns of Rockville and Pleasant Lake.

Two bills were returned from conference committees and repassed by members. S.F. 3196, the Department of Administration housekeeping bill, was carried by Sen. Martha Robertson (R-Minnetonka). Sen. Steve Murphy (DFL-Red Wing) authored S.F. 2884, a bill that provides for road weight restrictions and weigh station avoidance penalties.

Monday, March 25

Budget fix debated

Sen. Douglas Johnson (DFL-Tower) introduced a proposal to balance the budget at the floor session Mon., Mar. 25. The proposal came as an amendment to a House budget proposal, H.F. 3270.

Johnson's amendment raises approximately \$914 million in taxes during the next four years, restores \$556 million to the state's budget reserves and decreases the budget shortfall in fiscal year 2004-05 by 22 percent. The measure increases the excise tax on cigarettes by 64 cents—accounting for about half of the revenue raised under the plan—and requires half of the increase to take place in May and the next half to take place in January 2003. The measure also requires the cigarette tax to be linked to future inflation rates. The measure saves approximately \$312.5 million by delaying a portion of payments to school districts for one year, raises \$30 million by requiring Wisconsin residents who earn money in Minnesota to file a Minnesota tax return and delays until 2006 the intended repeal of an accelerated sales tax payment for businesses. The plan also converts from cash to bonds \$245 million in planned spending for road improvements and eliminates a \$155

million cash flow account used as a protection against state account shortfalls and uses an anti-tobacco endowment fund instead. The measure also funds a 1.5 percent inflationary increase for K-12 education.

According to Tax Committee Chair Larry Pogemiller (DFL-Mpls.), the amendment is nearly identical to the bill still in the committee, except for some minor technical changes and an abortion related provision added in the committee.

According to Johnson, the amendment is an attempt to replenish the state's budget reserves. He said the proposal does this through a combination of fiscal changes, accounting modifications and revenue increasing measures. He also said the measure is designed to protect the most vulnerable citizens in the state, and he compared the current climate in the Legislature to the mid 1980s, when taxes in the state were cut by \$1 billion and social service spending was slashed in the following years. He said discussions during this session are similar to those that took place then, and that he wants to prevent similar cuts—giving "shabby treatment" to Minnesota's most vulnerable citizens—from taking place now. The amendment, he said, is designed to prevent "cruel and mean" cuts and to ensure that children in the state receive a "decent education."

Sen. Dick Day (R-Owatonna) said he was concerned with the taxes raised in the amendment. He said the most vulnerable people are those who work 70 hours each week just to be able to pay their taxes.

"You tax people out of their homes, you tax people out of the state," he said.

A number of Senators said that under Senate rules the bill should not be taken up. Many also said it is unfair to add an amendment that is over 300 pages long without giving members an opportunity to review it first. Sen. Michele Bachmann (R-Stillwater) said she needed time to dissect the amendment. There was no time, she said, to go through the proposal and to fully understand it. Sen. Michelle Fischbach (R-Paynesville) said it is "ridiculous" to offer such a long amendment and to expect everyone to comprehend it. Sen. Dave Kleis (R-St. Cloud) said the amendment, since it was a delete everything amendment, replaces H.F. 3270 and is actually an entirely new bill. Day said under Senate rules the bill, and Johnson's amendment, should be taken up the following day.

"If you're going to throw the rule book out, and if that's the way you're going to play the game, it doesn't seem fair to me," he said.

Sen. Don Samuelson (DFL-Brainerd), presiding, ruled that the bill and the amendment could be taken up. He said large delete-everything amendments have been offered many times on the Senate floor in the past, and the procedure is not new. Sen. Warren Limmer (R-Maple Grove) challenged Samuelson's ruling, but Samuelson was upheld by a vote of 38 to 27.

Several Senators also questioned the germaneness of the amendment to the bill. Kleis said H.F. 3270 deals with state government operations, but the amendment has many other provisions dealing with such things as tax changes and K-12 education.

"This is certainly not at all what the original intent and purpose [of the bill] is," he said. "There are a lot of things [in the amendment] that don't relate at all to its original purpose."

Johnson said H.F. 3270 has a budget balancing purpose, as does his amendment. The amendment is clearly in line with the original purpose of the bill, he said, since the bill, like his amendment, is designed for budget reconciliation purposes.

Samuelson ruled the amendment to be germane, since it dealt with the same subject matter found in the bill. Kleis moved to appeal Samuelson's decision, but Samuelson's ruling was again upheld.

Sen. William Belanger (R-Bloomington) brought forth an amendment to the amendment that removes the increase for business property taxes. Sen. Cal Larson (R-Fergus Falls) said raising the business property tax decreases opportunity for entrepreneurs and impedes economic growth. Sen. Steve Kelley (DFL-Hopkins) said one of the reasons businesses thrive in Minnesota is the state's well-educated workforce. He said tax increases are necessary to provide education to the state's workers. The Senate approved Belanger's amendment to the amendment 40-27.

Pogemiller moved to amend the amendment to include legislative employees among those that may offer early retirement to employees. Larson said the changes should have been considered by the Commission on Legislative Pensions and Retirement before being heard on the floor. Pogemiller said the changes do not

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Sen. Dean Johnson (DFL-Willmar), left, consults with Sen. Gen Olson (R-Minnetrista) on the floor of the Senate.

Photo by David J. Oakes

affect the pension funds and are internal to the Legislature. He said the early retirement will only be granted if it saves money. The amendment to the amendment was adopted 37-27.

Johnson offered an amendment to his amendment that increases the taxes on cigars and chewing tobacco and lowers to 60 cents the tax on cigarettes. He said the changes are revenue neutral. The members voted to amend the amendment 46-21.

The state's 911 dispatchers are considered essential employees under an amendment to Johnson's amendment offered by Sen. Dan Stevens (R-Mora). Kelley said the modifications eliminate dispatchers' right to strike. The amendment to the amendment did not prevail, 26-38.

Sen. Grace Schwab (R-Albert Lea) offered an amendment to the amendment

that allows Albert Lea, Cloquet, Ely, Medford and Beaver Bay to impose local option sales taxes with voter approval. The members adopted the amendment.

Parents are given rights to read their children's medical records under an amendment to the amendment presented by Sen. Pat Pariseau (R-Farmington). Sen. Roger Moe (DFL-Erskine) said the definition of parents is too broad and includes parents who have terminated parental rights or have been removed from their children. Sen. Don Betzold (DFL-Fridley) said the changes will discourage youths with sexually transmitted diseases, drug problems or other issues from seeking medical treatment. The amendment to the amendment did not prevail 31-35.

Sen. Jim Vickerman (DFL-Tracy) presented an amendment that requires women to wait 24 hours after seeking an

abortion to have the operation performed and to be informed of certain information relating to the procedure. Samuelson, chair of the Committee of the Whole, ruled that the amendment to the amendment was germane, when the relevancy was questioned by Kelley. However, the Senate voted against Samuelson's ruling 33-34.

Convicted felons must supply DNA samples to the Dept. of Corrections, under an amendment to the amendment brought forth by Kleis. "DNA is supposed to be a very effective tool in crime enforcement," he said. The modifications to the amendment were approved 35-24.

Sen. Linda Berglin (DFL-Mpls.) said the Department of Corrections informed Senators that the department's health care contract is over budget by about \$1.5 million for the biennium. She offered an amendment to bring the department's

budget into balance by delaying the implementation of felony DWI laws six months, to July 2004. The amendment also makes changes to the way the Department of Corrections pays for non-contract health care services. Johnson said, "I think it is appropriate to make sure there is safety in our prisons and prison communities." The amendment was adopted.

Members also adopted an amendment, offered by Kelley, requiring state agencies to report the impacts of the budget cuts and hiring freeze. "We ought to determine where the cuts were appropriate," he said, "but we should also pay attention to places where there were significant cuts that affected our constituents."

Sen. Charles Berg (R-Chokio) offered an amendment providing that revenues from the increase in tobacco taxes will not be shared with Native American tribes. Berg said that current practice is to rebate half of the taxes collected by tribes that sell cigarettes on tribal land. "This doesn't upset any of the agreements now in place," Berg said. Pogemiller said it wasn't clear to him that the amendment could actually be put in practice. If taxes are being raised to reconcile the state budget, Berg said, then revenues should be dedicated to the general fund and should not have to be shared. He said it makes no sense for the state to pay an incentive for tribes to sell as many packs of cigarettes as possible.

Sen. Steve Murphy (DFL-Red Wing) said the tribes are recognized as sovereign nations. The state should be taxing Canada, Germany and other nations, he said, under the logic of Berg's amendment. Day said tribes and their supporters are not consistent with the sovereign nation argument. "When it comes to voting," he said, "then all of a sudden, they're a pretty big portion of our state."

Noting that many tribes need the funds from the revenue sharing agreements, Vickerman said the money from sharing the increased taxes might be enough to move some tribes out of poverty. Moe said the amendment sets a floor below which the Department of Revenue cannot go below when negotiating new agreements. Sen. Claire Robling (R-Prior Lake) said that prior to agreements between the state and the tribes, the tribes voluntarily collected sales taxes, even though they did not have to do so. She said prices on goods, including cigarettes, will be considerably lower than prices in communities around tribal lands. If the amend-

ment is adopted, Robling said, the tribes might cancel the existing agreements and decide to charge no cigarette tax at all. The Berg amendment was not adopted, 29-32.

An amendment clarifying that lateral transfers within a state agency are not covered by the hiring freeze was offered by Sen. Ellen Anderson (DFL-St. Paul). The amendment was adopted.

Sen. Thomas Neuville (R-Northfield) offered an amendment allowing the Minnesota State Academies for the Deaf and Blind to reimburse the state treasury under the formula they are currently using. Neuville said the Legislative Auditor discovered that the formula in statute is not being followed. However, he said, the Department of Finance has made computing reimbursements using the formula in practice, thus the amendment has no fiscal impact. The amendment was adopted.

The Johnson amendment to H.F. 3270—which is the budget reconciliation language—was adopted, 34-30.

Johnson said Senators never expected the state's budget problem to be as great as it has turned out to be. The second phase of budget reconciliation attempts to preserve the state's credit rating and protect important state services, such as K-12 education. "A vote against this bill is a vote against additional money for your schools," he said.

Johnson said the bill includes many bipartisan provisions, including funding for Albert Lea to cope with the impacts of a fire that destroyed a major employer and unemployment benefits extensions for former employees of major employers across the state. "Unemployment can cut across Democratic and Republican districts," he said. The bill, though perhaps not perfect for anyone, is the right thing to do.

Day told members they are voting on the second largest tax increase in the state's history.

H.F. 3270, the second phase of budget reconciliation, was granted preliminary passage on General Orders, 38-28.

Members also granted concurrence and re-passage to two bills amended in the House. S.F. 2697, carried by Sen. Ann Rest (DFL-New Hope) establishes disclosure requirements for sellers of residential real estate. S.F. 3315, carried by Sen. Linda Scheid (DFL-Brooklyn Park), makes changes involving the joint underwriting association's procedures.

Tuesday, March 26

Hotel bar bill debated

Floor action Tues., Mar. 26, focused on Special Orders and included extensive discussion on a proposal to extend hotel bar hours an hour later in the state's major cities. Sen. Linda Higgins (DFL-Mpls.) sponsored S.F. 709, a bill that allows hotel bars in Minneapolis, St. Paul, St. Cloud, Bloomington, Rochester and Duluth to remain open until 2 a.m. on weeknights and 2:30 a.m. on Friday and Saturday nights. Higgins said the state's convention and trade show industry has suffered because of the early bar closing times and the purpose of the bill is to keep the convention industry competitive with those in other mid-western towns.

Sen. Dave Kleis (R-St. Cloud) offered an amendment that expands the 2 a.m. bar closing time statewide. He said the original language put bars in towns near the major cities at a disadvantage. "It's a matter of consistency and fairness," Kleis said. The amendment was adopted.

"If you think it is a good thing to let bars stay open until 2 a.m., then you will think it is an even better idea to keep them open until 3 a.m.," said Sen. Edward Oliver (R-Deephaven) as he introduced an amendment to extend bar hours even later. "I don't think it is too bad that Minnesota is a little conservative because we close the bars a little early. If we extend bar hours later, we will have more alcohol-related incidents on the roads. Anyone who thinks otherwise is dreaming." The amendment failed.

Having voted on the prevailing side, Sen. Ellen Anderson (DFL-St. Paul) moved to reconsider the Kleis amendment that extends the 2 a.m. bar closing time statewide. Anderson said the motion only passed because many members, herself included, were not paying attention. The motion passed. Sen. Sandra Pappas (DFL-St. Paul) said that the bill was narrowly drafted to aid the convention business, not to keep bars open later across the state. Kleis argued that without the amendment the bill was inconsistent and favored the major cities over its neighboring communities. The amendment failed.

Sen. Kenric Scheevel (R-Preston) said the vote on the amendment indicated to him that members have concerns about extending bar hours in the state. "Either we think it is a good policy, or we don't," he said. Sen. Linda Berglin (DFL-Mpls.) said

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the bill was important because the aftereffects of the Sept. 11 tragedy have shown how large an impact the convention industry has on the state's economy. Sen. Claire Robling (R-Prior Lake) raised safety concerns because she said it is wrong to assume that most hotel bar patrons are also hotel guests. Oliver offered an amendment that restricts late-night hotel bar alcohol sales solely to hotel guests. The amendment failed.

Sen. Leo Foley (DFL-Coon Rapids) offered an amendment that establishes lower legal blood-alcohol limits for driving under the influence (DUI) infractions. Sen. Dennis Frederickson (R-New Ulm) questioned the germaneness of the amendment. Berglin said since it was not an omnibus bill, the amendment had a fundamentally different purpose than the bill. Senate President Don Samuelson (DFL-Brainerd) ruled the amendment was not germane. His decision was upheld by members in a roll call vote 47-17. S.F. 709 was granted final passage on a 35-29 vote.

Also on Special Orders, Sen. Mark Ourada (R-Buffalo) authored S.F. 1811, a bill that provides for the transfer of all or part of a drainage system to a water management authority. Ourada said in quickly growing areas, it is very difficult to make improvements on drainage ditches under the current statutes. The bill was granted final passage.

A bill that modifies licensing for certain classes of electricians was carried by Sen. Dan Stevens (R-Mora). Three technical amendments were adopted, one by Stevens and two by Sen. John Hottinger (DFL-Mankato). Members granted S.F. 2150 final passage.

Berglin carried S.F. 3098, the Department of Human Services technical bill. Berglin offered a number of amendments, the most significant of which includes a provision that establishes a moratorium on the 60-month time limit for eligibility to receive Minnesota Family Investment Plan (MFIP) assistance. The provision is to extend benefits to those who are having difficulty finding employment in the current market, Berglin said. The amendments were adopted. Sen. Sheila Kiscaden (R-Rochester) offered amendments that provide assistance to deaf and blind citizens, establish a volunteer health care program, and allow local fire code inspections for day care home licensing requirements.

Sen. Kenric Scheevel (R-Preston) offered an amendment to a previous amendment that removes the new licen-

sure requirements for plumbers in cities with population under 5,000. Berglin pointed out the provision had already passed on the Senate floor as part of another bill, and opposed the amendment. The amendment failed.

An amendment pertaining to the care and treatment of students with disabilities was offered by Sen. Martha Robertson (R-Minnetonka). Berglin was concerned with the fiscal impact of the amendment, but several Senators indicated there was no fiscal impact. The amendment was adopted.

Members granted S.F. 3098 final passage.

Wednesday, March 27

Autoglass veto overridden

Before leaving for their spring break, Senators took action on several bills, including joining with the other body in overriding the governor's veto on H.F. 2570. The bill regulates auto glass service pricing and prohibits steering by insurers. Among provisions in the highly contentious bill is one prohibiting auto glass service companies from providing incentives to customers, previously limited at \$35. The veto was overridden, and the bill repassed, 52-13, during the floor session, Wed., Mar. 27.

Sen. James Metzen (DFL-South St. Paul), Senate sponsor of the bill, said the legislation is good for consumers. He said the governor publicly said he was vetoing the bill because the governor has a friend in the auto glass business and the friend urged a veto of the bill. "I am not doing this for a buddy," Metzen said, "I am doing this for the people of this state." Several Senators—including Senators Martha Robertson (R-Minnetonka), Anthony "Tony" Kinkel (DFL-Park Rapids), and Don Betzold (DFL-Fridley)—said they have been inundated with constituents urging them to sustain the veto. "How will I know that insurance premiums will actually go down if this bill becomes law," Kinkel asked. All three Senators said small glass companies in their districts have indicated they will be harmed by the proposed law.

Small glass companies are the ones charging lower prices, said Sen. Cal Larson (R-Fergus Falls). Those companies will not be harmed by the bill, he said, because they are already in line with the "fair and reasonable" pricing standard in the measure. Betzold said Larson may be right,

but the issue deserves further study. "To be honest with you, I don't agree—I don't believe this will put them out of business," Betzold said, but small glass companies perceive the bill as harmful and the perception deserves attention. We can come back next year, with the small businesses, and fix the problems, he said.

Members also took action on S.F. 3431, the omnibus jobs and economic development policy bill. The bill, carried by Sen. Ellen Anderson (DFL-St. Paul), provides a 26-week unemployment benefit extension for employees laid off from the airline industry and airline-related industries, Fingerhut, Farmland Foods and Potlatch. The bill also offers a 13-week extension to about 6,000 workers not eligible for a federal extension of the same length. Anderson said persons applying for the extensions must be enrolled in a job training program. S.F. 3431 also makes changes to taxes and surcharges levied on employers to provides funds for the unemployment insurance fund and the dislocated worker program. Sen. Dave Kleis (R-St. Cloud) said the bill makes progress in addressing serious employment needs in the state. "It's not the best bill, I think we missed some opportunities," he said, but the bill helps.

Sen. Dick Day (R-Owatonna) offered an amendment removing language requiring the Public Utilities Commission to study criteria for power plant energy purchases. He said the language is included in a separate bill on General Orders and should not be included in the bill under consideration. Robertson said the language in the bill steers the PUC to one technology, one fuel and one location. The amendment was not adopted.

Robertson offered an amendment adding cost to the criteria for the PUC to use in the study. Sen. David Tomassoni (DFL-Chisholm), sponsor of the PUC study language, said cost considerations are already in law. Robertson said the criteria in the bill are also already in law. The amendment failed, 16-46.

Members adopted two amendments, offered by Senators Claire Robling (R-Prior Lake) and Pat Pariseau (R-Farmington), adding the use of agricultural byproducts and high-efficiency cogeneration to the criteria to be considered by the PUC. Members also adopted, on a 58-3 roll call vote, an amendment adding distributed generation to the list of criteria. The amendment, offered by Sen. Dan

Stevens (R-Mora), also changes the word “and” to “or” in the bill, making each of the criteria in the bill optional for PUC consideration.

Two amendments adding companies to the list of employers whose former employees may apply for the 26-week benefit extension were also adopted by Senators. Sen. Michelle Fischbach (R-Paynesville) successfully added former

employees of the SPX-DeZurik in Sartell and Sen. Chuck Fowler (DFL-Fairmont) added laid-off employees of Harsco in Fairmont.

S.F. 3431 was granted final passage, 44-20.

In other business, Senators also gave final passage, 39-27, to the second phase of budget reconciliation. H.F. 3270, carried by Sen. Douglas Johnson (DFL-Tower),

was granted preliminary passage earlier in the week.

Three other bills were granted concurrence and repassage. S.F. 2675, sponsored by Sen. Jane Krentz (DFL-May Township), requires state agencies to use clean fuels. Stevens carried S.F. 2569, which excludes rebates of federal taxes from consideration as a means of support for residents of veterans homes. Sen. Leo



Sen. David Knutson (R-Burnsville), left, and Majority Leader Roger D. Moe (DFL-Erskine) exchange ideas during a recent Senate floor session.

Photo by David J. Oakes

Floor update



Members and friends of Minneapolis' Children's Theatre Company appeared in the corridors of the Capitol Mon., Mar. 25, in a funding appeal to Legislators. Photo by Shelley Hawes

Foley (DFL-Coon Rapids) carried S.F. 2580, which provides that license revocation hearings do not give rise to an estoppel in criminal prosecutions. Members also adopted two conference committee reports. The report on the omnibus liquor bill, S.F. 2739, was adopted and repassed 52-6. Metzen, chief author of the bill, said the report is identical to the original Senate language. The conference committee report on S.F. 2680, carried by Sen. Warren Limmer (R-Maple Grove), was adopted and repassed 53-5. The bill adopts a new energy code and expands the membership of the Construction Codes Advisory Council.

Commerce bill debated

The floor session Wed., Mar. 27, continued with debate surrounding the Department of Commerce insurance technical bill, H.F. 2988, carried by Sen. Linda Scheid (DFL-Brooklyn Park).

Scheid moved to strike the language of the bill adopted in committee and amend the bill to include House language that incorporates recommendations from the Small Business Insurance Task Force.

"Health insurance in the state needs reform," Scheid said. "Premium rates in the state increased 18 percent last year. Something needs to be done. This bill does something about it."

Among the provisions recommended by the task force, Scheid explained, are reductions in loss ratio requirements, a 15 percent cap on yearly premium increases, and pooling options for smaller employers.

Sen. Edward Oliver (R-Deephaven) spoke in favor of the changes. "Health insurance for small businesses is in crisis," Oliver said. "This state has allowed the number of insurance issuers to be reduced to three. We need competition in this market. The reforms Sen. Scheid has brought are needed and necessary."

Sen. Mee Moua (DFL-St. Paul) agreed with Oliver. "I have heard many times from small business owners that they can't afford health insurance," she said. "If this amendment helps small business owners, I support it."

However, Sen. Linda Berglin (DFL-Mpls.) said some of the task force recommendations only help insurance companies. "These provisions are not innocuous. Insurance companies will be allowed to set rates before regulators determine the fairness of the rates. The recommended loss ratio is too high. Some of these items have been rejected by other policy committees," Berglin said.

Sen. Don Betzold (DFL-Fridley) also objected to the motion because of inappropriate procedure. "We are being asked to accept House language that was never discussed in committee," he said. "Rejecting this motion means keeping the language that came from the Senate

committee.” Sen. John Hottinger (DFL-Mankato) said that several of the key provisions in Scheid’s amendment were rejected in the Health and Family Security Committee.

Scheid’s motion to amend the bill with the House language prevailed.

Berglin offered an amendment that deletes several key provisions in the task force recommendations. “The amendment eliminates the ways insurers raise rates and/or shift risk to the insured.” The amendment failed.

Scheid offered another amendment that deletes a section pertaining to stop-loss coverage, and allows the assigned risk review board to function. The amendment was adopted. Sen. LeRoy Stumpf (DFL-Thief River Falls) carried an amendment that creates a one year moratorium on farm operating loans that disadvantage local farm mutuals. Sen. Roy Terwilliger (R-Edina) objected to the amendment because it had never been proposed earlier and the relevant groups were not asked to comment. The amendment was adopted. Three other technical amendments were adopted.

H.F. 2988 was granted final passage 51-9.

In other action on Special Orders, Sen. Sheila Kiscaden (R-Rochester) carried S.F. 3200, a bill that grants guest licenses to dentists and dental hygienists from bordering states. Sen. Jim Vickerman (DFL-Tracy) offered an amendment that makes a statutory changes regarding dental assistants. The amendment was adopted, and S.F. 3200 was granted final passage.

Members also repassed two bills that returned from conference committees: S.F. 2739, the omnibus liquor bill carried by Sen. James Metzen (DFL-South St. Paul) and S.F. 2680, authored by Sen. Warren Limmer (R-Maple Grove), a bill that pertains to energy codes in residential construction.

Tuesday, April 2

Organ donor intent debated

Upon returning from Spring break, Senators resumed work at the floor session Tues., Apr. 2. The session was dominated by debate regarding S.F. 2473, carried by Sen. Jane Ranum (DFL-Mpls.), which establishes the organ donation designation on an individual’s driver’s license as clear intent of donation. Currently, family members can override an individual’s wish for organ donation.

“A poll indicates that 97 percent of Minnesotans support organ donation, but the actual donation rate is around 60 percent,” Ranum said. “This bill simply attempts to allow those who wish to donate their organs have that wish carried out when they die.”

Sen. Pat Pariseau (R-Farmington) said the bill takes away too much power from families. “Families have the right to dispute what happens to their loved ones,” she said. Sen. Dennis Frederickson (R-New Ulm) agreed, and said he objected to the provision that states an individual’s wishes cannot be overruled by anyone.

Sen. Linda Scheid (DFL-Brooklyn Park) offered an amendment that changes the effective date of the bill to the day after final enactment.

Sen. Warren Limmer (R-Maple Grove) objected to the amendment. “As soon as this bill is passed, that organ donation designation becomes irrevocable,” he said. “We need time to educate the public and allow people to change their minds.” Scheid pointed out that under current law, the organ donation decision isn’t irrevocable and that people can simply submit a simple written statement to change organ donation status. The amendment was adopted.

Sen. Thomas Neville (R-Northfield) offered an amendment that deletes “documents of gift” from organ donor designations that can not be contested. The amendment was adopted. Neville also offered an amendment that requires an informational pamphlet about how the body is cared for in the organ donation process to be distributed when individuals sign up to be organ donors. The amendment was adopted.

Limmer offered an amendment that adds an additional organ donation classification on driver licenses. Limmer said the new designation allows the family to make the final decision about organ donation and will appeal to those who do not want to make an irrevocable decision. Ranum said she didn’t support the amendment because it makes the process more difficult. Sen. Dean Johnson (DFL-Willmar) said there is a fiscal impact to the amendment that must be considered. Limmer said the fiscal impact would be minimal. The bill was temporarily tabled to process several other bills.

After taking the bill from the table, Sen. Sheila Kiscaden (R-Rochester) spoke in opposition to the amendment. The

measure, she said, confuses the issue. She said the proposal creates a maybe response to organ donation, instead of simply having a concrete yes or no answer.

“I think it has some negative, unintended consequences,” she said.

Neuville said the proposal allows the family to be involved if the potential donor thinks they may be uncomfortable with organ donation. If a potential donor chooses the option given by the amendment, he said, it allows the family to revoke the donation if they are opposed to the donation. Neuville also said that he is a donor, but would not be one if he discovered his family was opposed to the idea. Many people, he said, want their next of kin to have the final say on the matter. He said if that option is given, the number of people designated as organ donors would increase.

“I think there are a lot of people like me,” he said.

Limmer said the amendment is only a further designation regarding organ donation and just allows the wishes of the family in a donor situation to be involved. The bill, he said, does not take families into account.

“That’s all we’re asking in this amendment,” he said. “I think it’s reasonable.”

Responding, Ranum said the amendment does not increase organ donation but instead creates a barrier to donation. The amendment failed by a vote of 23 to 38. The bill passed by a vote of 51 to 11.

Members also granted final passage to several bills on Special Orders. Sen. Leonard Price (DFL-Woodbury) carried S.F. 2738, the Department of Natural Resources (DNR) fiscal policy bill. Major provisions in the bill include crediting funds from DNR rental property in a building maintenance fund, establishing grant authority for aquatic plant restoration, and redirecting park acquisition funds to general state park operations budget. An amendment was adopted onto the bill regarding land transfers. Also gaining final passage was S.F. 3132, authored by Sen. LeRoy Stumpf (DFL-Thief River Falls), a bill that authorizes all levels of government in 11 northern counties to come together regarding land use issues. Sen. Edward Oliver (R-Deephaven) offered an amendment that allows the city of Deephaven to enter into a land swap to save a local fire station. The amendment was adopted.

Floor update

Members gave concurrence and repassage to two bills amended by the House: S.F. 2881, carried by Sen. Richard Cohen (DFL-St. Paul), allows municipalities discretionary subdivision authority to create affordable housing. S.F. 2612, carried by Sen. Dave Kleis (R-St. Cloud), allows the use of flashing red lights in funeral processions.

Members also recognized the University of Minnesota Women's Hockey Team for its recent NCAA Championship win. The Senate briefly recessed to give players and coaches in attendance a standing ovation.

Johnson moved to amend the language of the Senate's stadium bill onto H.F. 2214, the stadium bill from the House. The motion was approved by a vote of 33-32. The bill was then laid on the table.

Sen. Steve Kelley (DFL-Hopkins) also moved to adopt and re-pass the conference committee report on S.F. 3174. The bill, carried by Kelley, adds a small business category to the Money Transmitters Act. The motion was approved and the bill was given repassage.

Wednesday, April 3

Health powers act approved

"We need to have mechanisms in place to protect citizens in the event of a bioterrorist attack," said Sen. John Hottinger (DFL-Mankato), whose Minnesota Emergency Health Powers Act grants the governor power to make certain decisions during public health emergencies. The Senate heard the bill, H.F. 3031, along with several other measures during the floor session Wed., Apr. 3.

The Emergency Health Powers Act outlines the governor's authority to dispose of bodies, establish quarantines for infected persons, and conduct other activities that may be necessary in bioterrorist situations.

"We have worked to achieve a balance between constitutional rights and citizen's safety," Hottinger said. He said the bill modernizes the governor's current authority to commandeer in crisis situations in order to cover new threats.

Sen. Jane Krentz (DFL-May Township) offered an amendment that broadens the purview of a study to investigate the impacts of potential state responses to bioterrorism mandated in the bill. Under the amendment, the effectiveness of

antibiotics, especially fluoroquinolones, that are vital to protecting human health must also be looked at in the study.

Sen. Steve Dille (R-Dassel) said farmers who use antibiotics on livestock are too frequently blamed for misuse of antibiotics and human use should be investigated as well. Krentz said her amendment did not single out farmers, but addressed the overall problem. She said the preservation of the effectiveness of antibiotics for human health is essential, particularly because antibiotics are important to fighting anthrax and other diseases likely to be exploited by bioterrorists. The amendment was adopted.

Sen. Steve Murphy (DFL-Red Wing) presented an amendment that adds a member of the Board of Animal Health to the list of persons who must be consulted during the Dept. of Health's study. The members approved the amendment.

A sunset date of Jan. 30, 2004 is added by an amendment offered by Sen. Warren Limmer (R-Maple Grove). Hottinger said the date ensures the Legislature would revise the bill to take into account the findings of the study. Sen. Don Betzold (DFL-Fridley) offered an amendment to the amendment that pushed the sunset date back until April 2004, because, he said, the Senate might not be in session in January in an even-numbered year. The amendment to the amendment was adopted and the amendment was approved.

Sen. Pat Pariseau (R-Farmington) said the bill does not offer sufficient definition to the governor's power in emergency situations and gives too much power to a single person. "Without definitions given in the bill," she said, "we can't be sure of what powers are given in the bill." She offered an amendment that removes the governor's authority over allocations of medical supplies and occupancies of facilities.

Hottinger objected to the changes saying the amendment is not adding the definitions that she said were lacking, but taking away the governor's authority. Pariseau said under the broad definitions the governor could take away a diabetic person's insulin if the governor thought it was necessary to deal with a public health emergency. The amendment did not prevail 21-43.

The Minnesota Emergency Health Powers Act was passed 64-0.

The Senate also passed H.F. 3125, offered by Sen. James Metzen (DFL-South

St. Paul). The bill makes several technical and housekeeping changes recommended by the Dept. of Commerce. The final vote on the measure was 63-0.

Sen. Deanna Wiener (DFL-Eagan) brought forth two bills. The first, H.F. 1517, exempts swimming pools at day care facilities from rules regarding public pools. In order to use a pool as part of a day care program, the bill specifies, parents or guardians must sign permission forms for their children. The members passed the bill 63-0.

Wiener's second bill, H.F. 3359, modifies nurses' certification requirements. She said the bill is based on recommendation from the Minnesota Nursing Association and the Board of Nurses. The bill defines nurses as only licensed nurses. Sen. David Tomassoni (DFL-Chisholm) presented an amendment that permits the transfer of 100 hospital beds in St. Louis County to Aurora and Duluth. The amendment was adopted.

Sen. Ellen Anderson (DFL-St. Paul) offered an amendment to require ambulances in the state to carry a supply of epinephrine, which is a medicine that treats allergic reactions. The measure also requires that at least one hour of the current 48-hour continuing education requirement for Emergency Medical Technician (EMT) license renewal be instruction in the administration of the medicine. The provision is effective July 1, 2003. Anderson said most ambulances already carry a supply of epinephrine, but she wanted to make sure that all ambulances do. She said that carrying the medicine may mean the difference between life and death for some people.

Sen. Dallas Sams (DFL-Staples) opposed the amendment. He said the Legislature shouldn't mandate the use of epinephrine. The Legislature, he said, shouldn't interfere with emergency service providers because they are already adding the medicine to ambulances voluntarily. He also said such a mandate adds extra costs to providers.

Sen. Sheila Kiscaden (R-Rochester) also spoke against the amendment. She asked what would be given up in the current 48-hour continuing education requirement by mandating one hour be spent on instruction about administering epinephrine. She also said the proposal should have gone through the committee process.

"These kinds of things seem simple, but how you get there and the ripple

effects it has in the provision of the service is hard to see," she said.

Responding, Anderson said physician's groups and allergy experts both support the amendment. She also said that everything EMTs do is already mandated by law.

"This is not going beyond what we currently do," she said. "This is just tweaking the system."

Senators Deanna Wiener (DFL-Eagan) and Anthony "Tony" Kinkel (DFL-Park Rapids) both supported the amendment. Wiener, a former nurse, said that a person who undergoes shock due to an allergic reaction experiences a tightening of the throat. She said such tightness could suffocate a person. Kinkel, whose family has owned and operated an ambulance service for 30 years, said it is time to require the use of epinephrine. "We can do this," he said. "We can incorporate this into training." Kinkel moved to change the effective date of the measure from July 1, 2003, to Sept. 1, 2003. He said changing the date allows the requirement to be implemented at the beginning of the school year—since many EMTs are trained at post-secondary schools—and makes it easier for administration purposes. Anderson agreed with the proposal, and the amendment was adopted. By a vote of 37 to 26, Anderson's amendment was also adopted, and the bill was passed with no votes in opposition.

Sen. Dean Johnson (DFL-Willmar) moved to take H.F. 2214, the stadium financing bill, from the table. The bill, which contains the Senate's plan to fund a new Twins stadium, was tabled during the previous session. Johnson said he expects to keep between 80 and 90 percent of the House plan during conference committee. However, he said, there are provisions in the Senate plan that must be included as part of the final plan. If not, he said, a stadium will be difficult to build.

"Do not be misled that the House bill solely on its merits will build a ballpark, because it won't work," he said.

Several Senators asked why the Senate didn't craft an amendment to the bill if the majority of the House proposal will be used in the end. An amendment, many said, should be drafted to more closely resemble the House plan. However, the bill was approved by a vote of 35 to 30.

One bill was also given unanimous concurrence and re-passage. S.F. 2150, carried by Sen. Dan Stevens (R-Mora),

modifies certain provisions regulating electricians. H.F. 3163, carried by Sen. Don Betzold (DFL-Fridley), is the annual revisor's bill. The measure corrects erroneous, ambiguous, and omitted text and obsolete references. The bill also eliminates redundant, conflicting and superseded provisions, makes miscellaneous technical corrections to statutes and other laws and reenacts certain legislation. The measure was granted final passage on Special Orders.

Thursday, April 4

School bus driver bill passed

During a short floor session Thurs., Apr. 4, members passed S.F. 3310, which authorizes the cancellation of an endorsement on the license of a school bus driver if they have been convicted of a gross misdemeanor. The measure, carried by Sen. Satveer Chaudhary (DFL-Fridley), also allows the cancellation of an endorsement if a school bus driver has had multiple violations that show evidence of being a risk to public safety. According to Chaudhary, the bill changes current law by expanding the list of crimes for which bus drivers can lose their endorsement. The current list, he said, is not adequate to cover everything that can endanger children who ride school buses.

Chaudhary also offered an amendment that requires the notice of cancellation to be sent in writing by mail. The amendment was adopted.

Sen. Jane Krentz (DFL-May Township) offered an amendment dealing with school bus diesel fumes. The measure prohibits school buses from idling for more than five minutes unless stalled in traffic or in inclement weather conditions requiring the power of the bus to be left on. The amendment also requires buses to park far enough away from schools so that diesel fumes from buses are not drawn into school air intake systems. According to the measure, the parking requirement is nullified if it is judged that the measure blocks traffic or impairs student safety. Krentz said diesel fumes contain approximately 40 toxic chemicals. She said school children spend a lot of time on buses and the fumes can be particularly hazardous to them because of their smaller lung capacity.

Sen. Pat Pariseau (R-Farmington) challenged the germaneness of the amendment. The amendment, she said,

does not have the same content as the bill. She said the amendment deals with an air quality issue, while the bill deals with a licensure issue. She said she didn't see the connection between the two. Sen. Dave Kleis (R-St. Cloud) pointed out that the amendment even changes the title of the bill. Sen. Steve Murphy (DFL-Red Wing) said the amendment deals with a completely different issue than what is specified in the bill. He said the amendment should be tied to a bill that better fits its subject.

"To tie the two together is a stretch at best," he said.

Krentz disagreed. She said the bill relates to school buses and to protecting kids, and the amendment does also. Also, she said the bill tries to protect children, as does the amendment. The bill and the amendment, she said, do the same thing.

"It's clearly about school buses, drivers and the safety of our children," she said.

However, the amendment was ruled not germane. The bill was then passed unanimously.

Sen. Deanna Wiener (DFL-Eagan) presented H.F. 2719. The bill, also known as the "Uniform Athlete Agents Act," provides for the registration of agents for intercollegiate student athletes with the commissioner of commerce. The measure gives the commissioner the authority to issue registration certificates, refuse registration under certain conditions and to suspend, revoke or refuse to renew registrations for conduct justifying registration denial. The bill also prescribes the form and contents of the contract, allows nonconforming contracts to be voidable by the student athlete, prohibits certain conduct by agents, imposes penalties for violations and grants educational institutions a private right of action against athlete agents or former student athletes for damages.

Wiener said the bill is meant to deal with situations when student athletes sign with an agent without knowing the ramifications to themselves and to their universities.

"It's protection for the student athlete and for the university," she said. The bill was passed with no votes in opposition.

One bill was also granted concurrence and re-passage. S.F. 3015, carried by Sen. Linda Scheid (DFL-Brooklyn Park), establishes within the Minnesota Department of Commerce a division of insurance fraud prevention. The new division is to investigate and prosecute insurance fraud.

Floor action

Friday, March 22

Bills granted concurrence and repassage

S.F. 2550-Berglin: Amends provisions relating to special education and modifies consent requirements for billing Medical Assistance and MinnesotaCare for covered individual education plan services. 56-0

S.F. 2953-Hottinger: Prohibits issuing or requiring excess insurance on property. 59-0

S.F. 2546-Fischbach: Permits the cities of Rockville and Pleasant Lake and the town of Rockville to jointly develop a consolidation plan and permits the cities of New London and Spicer and the town of New London to jointly develop a consolidation. 59-0

Conference committee reports adopted and repassed

H.F. 2884-Murphy: Limits the civil penalty imposed for overweight vehicles based on violations identified in shippers weight records and reduces the records retention requirement, requires inspection and copying of the record within the retention time limit for civil penalty imposition purposes and requires the court to double the weight limit penalty for persons knowingly and contemporaneously attempting to evade a fixed weigh station or to avoid stationary scales. 60-0

H.F. 3196-Robertson: Modifies provisions relating to the Department of Administration, and subjects executive branch employees involved in the grant process to the code of ethics applicable to employees involved in procurement. 61-0

Bills granted final passage under suspension of the rules

S.F. 2125-Moe, R.D.: Adds to state wildlife management areas, provides for certain land exchanges and permits the sale of certain consolidated conservation land in Roseau County. 61-0

Bills granted final passage on Special Orders

S.F. 2674-Krentz: Dept. of Natural Resources provisions, clarifies the aquatic life that may be raised on aquatic farms, modifies timber permit and lease provisions and creates a prairie chicken hunting license. 56-4

H.F. 1224-Lourey: Creates registration for medical response units. 53-0

S.F. 3114-Neuville: Permits the issuance of a limited license under certain circumstances to a person whose driver's license is suspended for nonpayment of support. 52-3

S.F. 3177-Frederickson: Modifies wastewater infrastructure funding program. 54-0

S.F. 3298-Johnson, Dean: Dept. of Transportation housekeeping bill. Regulates public works contracts, allows the commissioner of transportation to acquire land to preserve transportation corridors and modifies motor carrier provisions to reduce certain regulatory obligations. 56-0

H.F. 2618-Knutson: Requires public employees and officers to make prompt reports of certain unlawful actions and authorizes providing certain data to the state auditor for audit or law enforcement purposes notwithstanding provisions of the Data Practices Act. 53-0

S.F. 3099-Berglin: Expands MFIP hardship extensions, allows the ombudsman for corrections to apply for or receive grants and makes changes to continuing care programs.

Monday, March 25

Bills granted concurrence and repassage

S.F. 2697-Rest: Establishes disclosure requirements for sellers of residential real estate. 61-2

S.F. 3315-Scheid: Makes changes involving the Joint Underwriting Associations' procedures. 64-0

Bills granted preliminary passage on General Orders

H.F. 3270-Johnson, Douglas: Omnibus budget reconciliation provisions.

Tuesday, March 26

Bills granted concurrence and repassage

S.F. 3084-Rest: Modifies certain state and local government unit auditing and reporting requirements, requires local government units collecting waste management fees to annually report on revenue collection and use to the Office of Environmental Assistance. 60-0

Bills granted final passage on Special Orders

S.F. 1811-Ourada: Allows transfer of a public drainage system to a water management authority and defines water management authority. 61-0

S.F. 2150-Stevens: Modifies electrician licensing and requires rulemaking. 63-0

S.F. 709-Higgins: Authorizes the cities of Minneapolis, St. Paul and Duluth to adopt ordinances authorizing on-sales at hotels during certain hours and exempts certain sales from on-sale hours restrictions. 35-29

S.F. 3098-Berglin: Clarifies exclusions from Dept. of Human Services licensure and background study requirements, clarifies implementation deadlines for reimbursement classifications and clarifies Medical Assistance covered services. 36-23

S.F. 3030-Pappas: Responsible Lending Act of 2002. Enacts restrictions on certain home loans. 63-0

S.F. 2991-Betzold: Requires payment of a salary differential to state employees who are members of the national guard or other military reserve units and who have been called to active military duty on or after Sept. 11, 2001. 58-0

S.F. 2950-Scheid: Authorizes the appointment of election judges who are not affiliated with a major political party. 45-12

H.F. 2706-Cohen: Imposes a misdemeanor penalty for intentionally obstructing an emergency vehicle during emergency duty. 57-0

S.F. 3384-Hottinger: Changes provisions of the Campaign Finance and Public Disclosure Law. 65-0

S.F. 2594-Stevens: Creates the agriculture and renewable energy loan program. 61-0

H.F. 2780-Neuville: Creates a curative act for conveyances by counties, provides for recording of documents written in foreign language and provides for an affidavit of custodian. 58-0

Wednesday, March 27

Bills granted concurrence and repassage

S.F. 2675-Krentz: Requires the commissioner of administration or state agencies to purchase clean fuels for use in the central motor pool or in motor vehicles owned or leased by state agencies under certain conditions, defines clean fuels, requires the purchase of motor vehicles for the state capable of using clean fuels under certain conditions, expands the recyclable material container requirements for state agencies and local government units to public entities, and defines public entity. 62-0

S.F. 2569-Stevens: Excludes rebates of federal taxes from consideration as a means of support for persons admitted at the discretion of the veterans homes board to veterans homes. 63-0

S.F. 2580-Foley: Provides that civil hearings relating to driving while impaired (DWI) not give rise to an estoppel on issues resulting from the same set of circumstances in any criminal prosecution, grants the juvenile court jurisdiction over persons found to have committed a delinquent act or charged by juvenile petition, expands the crime of child endangerment to exposure to persons possessing certain chemical substances used to manufacture controlled substances, prescribes penalties for persons escaping from electronic monitoring, and expands the provision allowing evidence of similar prior conduct in cases of domestic abuse. 63-0

Bills granted repassage, the objections of the governor notwithstanding

H.F. 2570-Metzen: Modifies the basis for automobile insurance window glass damage claims payment, provides that payment is to be based on a fair

and reasonable competitive price, requires geographic area consideration under certain conditions, prohibits insurers from recommending a vendor unless requested by the insured, eliminates the market survey requirement and repeals the auto glass market survey revolving account. 52-13

Bills granted final passage on the Senate Calendar

H.F. 3270-Johnson, Douglas: Budget reconciliation plan. 39-27

Bills granted final passage on Special Orders

S.F. 3431-Anderson: Omnibus jobs and economic development policy bill. 44-20

H.F. 3200-Kiscaden: Requires the state board of dentistry to grant guest licenses or registrations to practice as dentists, dental hygienists or dental assistants under certain conditions and subjects guest licensees or registrants to the same obligations as state licensees or registrants. 60-0

H.F. 2988-Scheid: Department of Commerce insurance technical bill. 51-9

Conference Committee reports adopted and repassed

S.F. 2739-Metzen: Omnibus liquor bill. 52-6

S.F. 2680-Limmer: Eliminates residential housing ventilation system installation requirements, expands construction codes advisory council membership, and adopts new energy code. 53-5

Tuesday, April 2

Bills granted concurrence and repassage

S.F. 2881-Cohen: Grants cities or towns certain affordable housing regulation authority relating to the establishment of sales prices or rents, maximum income limits and means to maintain long term affordability in approving subdivision, planned unit development or site plan applications. 56-6

S.F. 2612-Kleis: Authorizes funeral home vehicles to use flashing red lights. 58-2

Bills granted final passage on Special Orders

S.F. 2738-Price: Modifies Department of Natural Resources fiscal policy. 63-0

S.F. 3132-Stumpf: Authorizes the Northern Counties Land Use Coordinating Board to initiate a pilot project to promote cooperative efforts among county, state, federal and local units of government. 64-0

S.F. 2473-Ranum: Specifies that organ donation designations establish intent. 51-11

H.F. 3364-Johnson, Dean: Omnibus transportation funding bill. 39-25

Conference committee reports adopted and repassed

S.F. 3174-Kelley: Creates a small business category under the Money Transmitter Act. 62-0

Wednesday, April 3

Bills granted concurrence and repassage

S.F. 3054-Tomassoni: Modifies provisions relating to petrofund contractors and consultants. 60-0



St. Paul Postmaster Anthony Williams unveils an enlargement of the new “Greetings from Minnesota” postage stamp as part of the First Day of Issue Ceremony in the Capitol rotunda Thur., Apr. 4.

Photo by Shelley Hawes

S.F. 2150-Stevens: Modifies electrician licensing provisions and requires rulemaking. 63-0

Bills granted final passage on Special Orders

H.F. 3125-Metzen: Authorizes periodic account statements in electronic format, changes the name of the telecommunications access for communication-impaired persons program to telecommunications access Minnesota program and modifies provisions for contracting the telecommunication relay system. 63-0

H.F. 3359-Wiener: Modifies protocols for nurses. 60-0

H.F. 1517-Wiener: Establishes requirements for swimming pools at family day care or group family day care homes. 63-0

H.F. 3031-Hottinger: Minnesota Emergency Health Powers Act. 64-0

H.F. 3163-Betzold: Revisor's bill. 62-0

H.F. 2214- Johnson, Dean: Stadium financing proposal. 35-0

Thursday, April 4

Bills granted concurrence and repassage

S.F. 3015-Scheid: Establishes a division of insurance fraud prevention within the Dept. of Commerce to investigate and prosecute insurance fraud. 60-0

Bills granted final passage on Special Orders

H.F. 2719-Wiener: Provides for registration of agents of student athletes and provides penalties and remedies. 63-0

S.F. 3310-Chaudhary: Authorizes the commissioner of public safety to cancel the school bus driver's endorsement of a person who has been convicted of a gross misdemeanor or of multiple violations that show evidence of a risk to public safety. 63-0

Chapters

Chap. 219, S.F. 2655*-Samuelson, H.F. 2698-Paulsen: Extends the authority of the Board of Physical Therapy to adopt rules on licensee ethics. Signed by governor: 02/27/02.

Chap. 220, S.F. 264-Stanek, H.F. 351*-Johnson, Douglas: Omnibus budget reconciliation bill. Vetoed by governor: 02/25/02. Veto overridden: 02/28/02.

Chap. 221, S.F. 58*-Foley, H.F. 97-Greiling: Changes terminology in statutes of references to mentally ill. Signed by governor: 02/27/02.

Chap. 222, S.F. 3019*-Ranum, H.F. 3049-Tuma: Expands the predatory offenders registration requirement. Signed by governor: 02/28/02.

Chap. 223, S.F. 1471*-Vickerman, H.F. 1297-Dempsey: Modifies provisions to reflect the abolishment of the Minnesota Municipal Board and the transfer of powers relating to annexation to the Office of Strategic and Long Range Planning. Signed by governor: 03/07/02.

Chap. 224, S.F. 2760-Lesewski, H.F. 2642*-Gerlach: Eliminates the requirement for county mine inspectors to file annual reports with the Dept. of Labor and Industry. Signed by governor: 03/07/02.

Chap. 225, S.F. 2822-Vickerman, H.F. 3116*-Ozment: Modifies certain provisions governing the environment and natural resources trust fund. Signed by governor: 03/07/02.

Chap. 226, S.F. 2441-Robling, H.F. 2624*-Buesgens: Increases the membership of the Shakopee Public Utilities Commission from three to five members. Signed by governor: 03/07/02.

Chap. 227, S.F. 3025-Kelley, H.F. 3148*-Rhodes: Modifies registration requirements for speech-language pathologists and audiologists. Signed by governor: 03/07/02.

Chap. 228, S.F. 2865-Stevens, H.F. 2992*-Rhodes: Modifies occupational therapist temporary licensure terms. Signed by governor: 03/07/02.

Chap. 229, S.F. 2839-Ranum, H.F. 3062*-Smith: Repeals the term limits for judges in the Hennepin and Ramsey County Juvenile Courts. Signed by governor: 03/07/02.

Chap. 230, S.F. 2573*-Berg, H.F. 2748-Westrom: Authorizes ISD #801, Browns Valley, to begin the school year before Labor Day to accommodate high school students enrolled in Sisseton, S.D., and Sisseton elementary students enrolled in Browns Valley. Signed by governor: 03/13/02.

Chap. 231, S.F. 2531-Pogemiller, H.F. 2695*-Mares: Modifies and clarifies certain provisions relating to the Minneapolis Firefighters Relief Association. Signed by governor: 03/13/02.

Chap. 232, S.F. 389-Betzold, H.F. 58*-Dehler: Prescribes standards for identification of beer kegs, prohibits off-sale beer retailers from selling beer kegs without an identification label or tag and specifies certain label or tag requirements. Signed by governor: 03/13/02.

Chap. 233, S.F. 3111-Ranum, H.F. 3190*-Stanek: Requires the Juvenile Court to forward to the statewide supervision (conditional release data) system certain data in juvenile petitions for individuals under supervision by probation agencies or in out of home placement. Signed by governor: 03/13/02.

Chap. 234, S.F. 2671-Scheid, H.F. 2783*-Davids: Regulates no-fault auto insurance residual liability. Signed by governor: 03/14/02.

Chap. 235, S.F. 1376-Bachmann, H.F. 1189*-Vanderveer: Provides for the election of municipal council members after annexation. Signed by governor: 03/14/02.

Chap. 236, S.F. 2210-Tomassoni, H.F. 1620*-Howes: Strengthens orderly annexation agreements. Signed by governor: 03/14/02.

Chap. 237, S.F. 2873-Johnson, Douglas, H.F. 2987*-Bakk: Authorizes the conveyance of the Cook County mineral center cemetery to the Grand Portage reservation. Signed by governor: 03/14/02.

Chap. 238, S.F. 2801-Olson, H.F. 3202*-Smith: Increases the Delano Public Utilities Commission to five members. Signed by governor: 03/14/02.

Chap. 239, S.F. 2913-Limmer, H.F. 2629*-Stanek: Authorizes retired licensed architects, engineers, land surveyors, landscape architects, geoscientists and interior designers to use retired professional designations. Signed by governor: 03/14/02.

Chap. 240, S.F. 3082-Larson, H.F. 3309*-Cassell: Modifies the exception to the nursing home bed moratorium for licensed beds on layaway status. Signed by governor: 03/14/02.

Chap. 241, S.F. 2472-Vickerman, H.F. 2637*-Ozment: Provides for town board declaration of office vacancies and appointment of officers to temporarily replace elected officers unable or refusing to attend board meetings for a certain specified period of time. Signed by governor: 03/14/02.

Chap. 242, S.F. 2892-Cohen, H.F. 3344*-McGuire: Provides for a combined jurisdiction program in the Second and Fourth Judicial Districts. Signed by governor: 03/14/02.

Chap. 243, S.F. 3206-Marty, H.F. 3296*-Thompson: Transfers social security administrative duties from the commissioner of employee relations (DOER) to the Public Employees Retirement Association (PERA). Signed by governor: 03/14/02.

Chap. 244, S.F. 1495*-Murphy, H.F. 1547-Finseth: Requires diesel fuel sold in the state after a certain date for use in internal combustion engines to contain a two percent biodiesel fuel oil by volume and defines biodiesel fuel. Enacted without signature: 03/15/02.

Chap. 245, S.F. 2562-Scheid, H.F. 2612*-Rhodes: Modifies the certified signature requirement of licensed architects, engineers, land surveyors, landscape architects or geoscientists or certified interior designers. Signed by governor: 03/15/02.

Chap. 246, S.F. 2711-Rest, H.F. 2899*-Holberg: Modifies certain Metropolitan Area livable communities provisions and authorizes grants from the livable communities demonstration, local housing incentive or inclusionary housing accounts to development authorities. Signed by governor: 03/21/02.

Chap. 247, S.F. 3302-Knutson, H.F. 3584*-Holberg: Modifies the formula for calculation of interest on court verdicts, awards and judgments. Signed by governor: 03/21/02.

Chap. 248, S.F. 2803-Robling, H.F. 2813*-Molnau: Requires licensed child care providers to develop policies and procedures for reporting suspected child maltreatment. Signed by governor: 03/21/02.

Chap. 249, S.F. 2475-Hottinger, H.F. 2766*-Haas: Removes the expiration date for a provision requiring motor vehicle fuel franchisors selling or transferring ownership of marketing premises occupied by franchisees to offer the franchisees certain rights contained in federal regulations. Signed by governor: 03/21/02.

Chap. 250, S.F. 3135-Johnson, David, H.F. 3189*-Workman: Provides that street sweeping vehicles are special mobile equipment for motor vehicle registration purposes. Signed by governor: 03/21/02.

Chap. 251, S.F. 2757-Betzold, H.F. 2742*-Siefert: Modifying certain contested case procedures under the Administrative Procedure Act (APA) and authorizes state agencies to, by order, provide for the report or order of the administrative law judge as the final decision. Signed by governor: 03/21/02.

Chap. 252, S.F. 2381-Berglin, H.F. 2531*-Goodno: Provides for the regulation of hospice providers by the commissioner of health separately from home care providers, provides a hospice bill of rights for the benefit of individuals receiving hospice care and provides for enforcement. Signed by governor: 03/22/02.

Chap. 253, S.F. 2932*-Krentz, H.F. 3275-Gerlach: Authorizes and provides for the Pollution Control Agency to encourage citizen monitoring of ambient quality of state waters. Signed by governor: 03/22/02.

Chap. 254, S.F. 2971*-Knutson, H.F. 3133-Lipman: Codifies the provisions regulating the competitive bidding process for state

building and construction or repair contracts and requires standard requirement price contracts for building and construction to be established by competitive bids. Signed by governor: 03/22/02.

Chap. 255, S.F. 1072*-Lessard, H.F. 1097-Solberg: Designates the photograph Grace as the state photograph. Signed by governor: 03/22/02.

Chap. 256, S.F. 2834*-Day, H.F. 3074-Ruth: Provides for the appointment of the Steele County recorder Signed by governor: 03/22/02.

Chap. 257, S.F. 3258*-Larson, H.F. 3512-Cassell: Authorizes the commissioner of transportation (DOT) with the unanimous approval of the Land Exchange Board to convey certain state land to the city of Garfield in exchange for certain land in Douglas County. Signed by governor: 03/22/02.

Chap. 258, S.F. 2434*-Moe, R.D., H.F. 2652-Lieder: Provides for the appointment of the Polk County recorder and auditor-treasurer. Signed by governor: 03/22/02.

Chap. 259, S.F. 2627*-Kiscaden, H.F. 2603-Paulsen: Requires licensed optometrists or physicians to provide patients with copies of prescriptions for contact lenses after completing the eye examination. Signed by governor: 03/22/02.

Chap. 260, S.F. 3115*-Kelley, H.F. 3238-Johnson, J.: Modifies a provision regulating state energy efficiency installment purchases and expands commissioner of administration installment purchase authority to equipment or services to reduce state building or facility energy costs. Signed by governor: 03/22/02.

Chap. 261, S.F. 3080*-Rest, H.F. 3462-Mulder: Requires preneed funeral arrangement trust account depositors to annually report to beneficiaries of the accounts the amount and disposition of funds in the account. Signed by governor: 03/22/02.

Chap. 262, S.F. 3136*-Lesewski, H.F. 3348-Nornes: Modifies workers' compensation payment provisions, intervention procedures, and special compensation fund provisions. Signed by governor: 03/22/02.

Chap. 263, S.F. 2590*-Lourey, H.F. 2753-Hilty: Provides for the appointment of the Carlton County recorder. Signed by governor: 03/22/02.

Chap. 264, S.F. 2670-Higgins, H.F. 2796*-Ozment: Authorizes a city of Minneapolis joint venture with a private entity to construct, operate and manage an asphalt production facility. Signed by governor: 03/22/02.

Chap. 265, S.F. 2575-Price, H.F. 2792*-Ozment: Provides for the indemnification of local government units operating or

Chapters

participating in household hazardous waste management programs under a contract with the Pollution Control Agency (PCA). Signed by governor: 03/22/02.

Chap. 266, S.F. 3045*-Betzold, H.F. 3373-Stanek: Extends the Fourth Judicial District domestic fatality review team. Signed by governor: 03/25/02.

Chap. 267, S.F. 3109*-Schwab, H.F. 3362-Stanek: Authorizes municipal police departments to use black patrol vehicles. Signed by governor: 03/25/02.

Chap. 268, S.F. 2611*-Ranum, H.F. 2662-Stanek: Adopts the new Interstate Compact for Adult Offender Supervision. Signed by governor: 03/25/02.

Chap. 269, S.F. 1030*-Wiger, H.F. 1934-Stanek: Ratifies and enacts the National Crime Prevention and Privacy Compact to provide a legal framework for the establishment of a cooperative federal-state system for the exchange of criminal history records. Signed by governor: 03/25/02.

Chap. 270, S.F. 222*-Krentz, H.F. 94-Haas: Establishes a criminal penalty for gross overlimit taking, possessing or transporting wild animals in closed seasons and with a restitution value of over a certain dollar amount. Signed by governor: 03/25/02.

Chap. 271, S.F. 2578*-Wiener, H.F. 2873-Wilkin: Authorizes county boards upon approval by the Dept. of Human Services to implement client directed support programs. Signed by governor: 03/25/02.

Chap. 272, S.F. 2463*-Anderson, H.F. 2993-Howes: Regulates nurses overtime work hours and provides for border state nursing licenses reciprocity. Signed by governor: 03/25/02.

Chap. 273, S.F. 3167*-Betzold, H.F. 3263-Holberg: Grants the commissioner of corrections access to private data in preliminary determinations of the appropriateness of filing a petition for civil commitment as sexual psychopathic personalities or sexually dangerous persons. Signed by governor: 03/25/02.

Chap. 274, S.F. 1226*-Sams, H.F. 1413-Tuma: Guarantees entitlement to full medical expense benefits to persons entitled to basic economic loss benefits under the no-fault automobile insurance law. Signed by governor: 03/25/02.

Chap. 275, S.F. 3100*-Berglin, H.F. 3276-Boudreau: Provides for Medical Assistance reimbursement for approved tribal health professionals and specifies certain credentialing requirements. Signed by governor: 03/25/02.

Chap. 276, S.F. 3124*-Foley, H.F. 3291-Nornes: Modifies nursing and board care homes resident reimbursement classifications provisions. Signed by governor: 03/25/02.

Chap. 277, S.F. 3126*-Foley, H.F. 3245-Boudreau: Makes technical changes in certain health care and human services programs provisions. Signed by governor: 03/25/02.

Chap. 278, S.F. 3117*-Metzen, H.F. 3061-Dibble: Provides for the transfer or disposal of sewer interceptor facilities. Signed by governor: 03/25/02.

Chap. 279, S.F. 2419*-Lesewski, H.F. 2600-Mulder: Defines portable wading pools located at licensed family day care homes or at certain unlicensed child care services as private residential pools for regulation exemption purposes. Signed by governor: 03/25/02.

Chap. 280, S.F. 107-Langseth, H.F. 197*-Bishop: Provides for grants to noncommercial television stations and to the metro bus garage. Vetoed by governor: 03/27/02.

Chap. 281, S.F. 2768*-Lessard, H.F. 2678-Solberg: Changes provisions in the Medical Assistance demonstration project. Signed by governor: 03/26/02.

Chap. 282, S.F. 3073*-Knutson, H.F. 3579-Holberg: Clarifies the standard for a misdemeanor violation of an order for protection or no contact orders. Signed by governor: 03/26/02.

Chap. 283, S.F. 2553-Metzen, H.F. 2570*-Wolf: Regulates automobile glass claims practices. Vetoed by governor: 03/26/02. Veto overridden: 03/28/02.

Chap. 284, S.F. 3068-Murphy, H.F. 3274*-Blaine: Provides certain protections to persons called or ordered to active service. Signed by governor: 03/26/02.

Chap. 285, S.F. 3122-Chaudhary, H.F. 2882*-Workman: Regulates electric personal assistive mobility devices. Signed by governor: 03/26/02.

Chap. 286, S.F. 2821*-Scheid, H.F. 3078-Stang: Regulates the conduct of real estate industry licensees, modifies disclosures, and regulates records retention requirements. Signed by governor: 03/26/02.

Chap. 287, S.F. 2459*-Sams, H.F. 2664-Bradley: Modifies requirements for supplemental nursing services agencies. Signed by governor: 03/26/02.

Chap. 288, S.F. 2115*-Oliver, H.F. 1885-Workman: Clarifies licensed motor vehicle dealer bonding requirements. Signed by governor: 03/26/02.

Chap. 289, S.F. 2764*-Marty, H.F. 3091-Abeler: Modifies standards for reporting incidents in licensed programs serving persons with mental retardation or related conditions. Signed by governor: 03/26/02.

Chap. 290, S.F. 2614*-Kiscaden, H.F. 2932-Sykora: Requires disclosure of an individual's communicable disease to a foster care provider. Signed by governor: 03/26/02.

Chap. 291, S.F. 3055*-Betzold, H.F. 3080-Stanek: Modifies provisions relating to the Metropolitan Transit Police. Signed by governor: 03/26/02.

Chap. 292, S.F. 2692*-Sams, H.F. 2757-Abeler: Modifies the authority of the commissioner of human services to set aside disqualifications of human services license applicants based on background checks. Signed by governor: 03/26/02.

Chap. 293, S.F. 2933*-Kinkel, H.F. 2889-Howes: Allows installation of certain individual sewage treatment systems. Signed by governor: 03/26/02.

Chap. 294, S.F. 2550*-Berglin, H.F. 2635-Bradley: Clarifies the requirement for school districts to provide special instruction and related services for children with a disability. Signed by governor: 03/26/02.

Chap. 295, S.F. 2953*-Hottinger, H.F. 3222-Ruth: Prohibits excess fire insurance coverage. Signed by governor: 03/26/02.

Chap. 296, S.F. 2546*-Fischbach, H.F. 2933-Stang: Permits the cities of Rockville and Pleasant Lake and the town of Rockville to develop a consolidation plan and the cities of New London and Spicer and the town of New London to develop a consolidation plan. Signed by governor: 03/26/02.

Chap. 297, S.F. 2715-Murphy, H.F. 2884*-Osskopp: Modifies the imposition of overweight vehicles civil penalties. Signed by governor: 03/26/02.

Chap. 298, S.F. 2966-Robertson, H.F. 3196*-Mares: Dept. of Administration housekeeping provisions. Signed by governor: 03/26/02.

Chap. 299, S.F. 2890*-Knutson, H.F. 3205-Clark, J.: Regulates public works contracts. Signed by governor: 03/27/02.

Chap. 300, S.F. 2793*-Vickerman, H.F. 3223-Harder: Provides for Medical Assistance reimbursement for out of state services to children with severe emotional disturbance. Signed by governor: 03/27/02.

Chap. 301, S.F. 3244*-Schwab, H.F. 2842-Tuma: Authorizes electronic signatures on certain laboratory blood sample reports. Signed by governor: 03/27/02.

Chap. 302, S.F. 3034*-Robertson, H.F. 3224-Abrams: Authorizes Hennepin County to contract with a private or public cooperative purchasing organization on behalf of the medical center, ambulatory health center or certain other clinics under

competitive or request for proposal contracting conditions. Signed by governor: 03/27/02.

Chap. 303, S.F. 2814*-Murphy, H.F. 3240-Clark, J.: Authorizes electric cooperatives to use electronic voting. Signed by governor: 03/27/02.

Chap. 304, S.F. 2673*-Cohen, H.F. 2596-Holberg: Provides for custody of children by de facto custodians and third parties. Signed by governor: 03/27/02.

Chap. 305, S.F. 3278*-Scheid, H.F. 3328-Molnau: Requires the commissioner of public safety to adopt rules requiring education in organ donation as part of driver education program. Signed by governor: 03/27/02.

Chap. 306, S.F. 2697*-Rest, H.F. 3070-Holberg: Specifies certain disclosure requirements of sellers of residential real estate relating to adverse physical conditions potentially adversely and significantly affecting the rights and interests of the purchaser. Signed by governor: 04/01/02.

Chap. 307, S.F. 3315*-Scheid, H.F. 3492-Davids: Modifies provisions relating to the Joint Underwriting Association. Signed by governor: 04/01/02.

Chap. 308, S.F. 3145*-Foley, H.F. 3221-Eastlund: Revises the Minnesota code of military justice, defines or redefines terms, updates language, and removes certain references indicative of the navy. Signed by governor: 04/01/02.

Chap. 309, S.F. 3084*-Rest, H.F. 3506-Ozment: Modifies certain state and local government unit auditing and reporting requirements. Vetoed by governor: 04/01/02.

Chap. 310, S.F. 887-Lourey, H.F. 1224*-Davids: Provides for registration of medical response units with the Emergency Medical Services (EMS) Regulatory Board. Signed by governor: 04/01/02.

Chap. 311, S.F. 2542*-Scheid, H.F. 2785-Goodno: Regulates business and nonprofit corporations and limited liability companies. Signed by governor: 04/01/02.

Chap. 312, S.F. 2675*-Krentz, H.F. 3519-Ozment: Expands the recyclable material container requirements for state agencies and local government units to public entities and requires state motor vehicles to use clean fuels. Signed by governor: 04/04/02.

Chap. 313, S.F. 2569*-Stevens, H.F. 2647-Erickson: Clarifies that rebates of federal taxes and state sales taxes may not be considered a means of support for Veterans Homes discretionary admissions. Signed by governor: 04/04/02.

Chap. 314, S.F. 2580*-Foley, H.F. 2840-Clark, J.: Clarifies that civil hearings relating to driving while impaired (DWI) do not to give rise to an estoppel on issues resulting from the same set of circumstances in any criminal prosecution. Signed by governor: 04/04/02.

Conference Committees

The following are the members of the conference committees appointed to resolve differences on major bills passed by both the Senate and the House. Conferees on other bills have not been appointed by both bodies at this time. Schedules for the conference committees are available online (at <http://www.senate.mn>) and via phone from the Senate Information Office (651-296-0504 or 1-888-234-1112). Senate conferees are in the right column, House members on the left.

Omnibus bonding bill – H.F. 3618

Knoblach	Langseth
Osthoff	Samuelson
Bishop	Wiener
McElroy	Larson
Clark, J.	Cohen

Stadium bill – H.F. 2214

Mares	Johnson, Dean
Goodno	Scheid
Abrams	Terwilliger
McElroy	Kelley
Milbert	Metzen

Omnibus supplemental budget bill – H.F. 3270

Goodno	Johnson, Douglas
Krinkie	Berglin
Seagren	Pogemiller
Abrams	Price
Pugh	Day

Anti-terrorism bill – H.F. 2622

Stanek	Ranum
Tuma	Moua
Smith	Kelley
Fuller	Schwab
Murphy	Neuville

Transportation funding bill – H.F. 3364

Kuisle	Johnson, Dean
Holberg	Johnson, David
Workman	Sabo
Kielkucki	Terwilliger
Juhnke	Ourada

Transportation policy bill – S.F. 3298

Kuisle	Johnson, Dean
Workman	Murphy
Holberg	Robling
Ruth	Higgins
Rukavina	Belanger

State employee contract ratification – S.F. 3208

Bishop	Moe, R.D.
Molnau	Orfield
Olson	Robertson

Restrictions on phosphorus fertilizer – S.F. 1555

Leppik	Higgins
Holsten	Krentz
Juhnke	Dille

Omnibus game and fish bill – S.F. 2674

Ozment	Krentz
Holsten	Price
Skoe	Frederickson

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*Senate and House conferees meet in Room 15 of the Capitol in an attempt to break an impasse between the two bodies over differences on the omnibus budget reconciliation bill.
Photo by David J. Oakes*



April 12 and 19, 2002

Senate Highlights

Negotiations continue

The focus of legislative activity shifted from floor sessions to conference committee meetings over the course of the last two weeks. Negotiations on the five major issues—the budget, capital investment, transportation funding, anti-terrorism proposals and the stadium—continued with both Senate and House members exchanging compromise offers. At press time, though, no major agreements had been made.

In other action, members were able to complete work on a number of other bills that had been referred to conference committees. Floor action was dominated by repassage of conference committee reports and concurrence and repassage of bills returning from the House with minor amendments.

This issue of Senate Briefly covers the period between April 5 - 18. The next issue will again cover the activity of a two-week time span and will be published May 2, barring the earlier completion of the legislative session.

Modified fireworks okayed

After extensive testimony on fireworks and mandates for volunteer firefighter leave, members of the confer-

ence committee on S.F. 2960 adopted a conference committee report that partially repeals the state ban on fireworks. Under the report, novelty items—such as sparklers and poppers—will be legal for sale and use in the state. Members—meeting Wed., Apr. 17—also dropped provisions requiring employers to allow unpaid leave for employees who are volunteer firefighters.

Members of the fire service community testified against both portions of the bill. Rebecca Booker, a registered nurse, said she saw—while living in California, where fireworks are legal—children with severe burns on their hands and feet from sparklers. Cathy Osmonson, fire marshal in Mounds View, said permitting novelty items will only promote the illegal use of larger-grade fireworks. “When you let the small stuff in, that opens the door for the large stuff,” Osmonson said. Harlan Lundstrom said legalizing fireworks will hamper fire safety and fire prevention efforts across the state. Lundstrom, representing the Anoka County Juvenile Fire Centers Task Force, said that since 1993, over 700 children have been referred to the task force’s educational program. Each year has seen declining numbers of referrals, which he characterized as a sign of success in fire safety education.

Denise Demars, a parent, said the bill represents “a foot in door on the way to legalizing all fireworks.” She said that responsible parents are the exception, not the rule. Demars cited a study showing that bottle rockets and sparklers are the two greatest causes of injury in fireworks-related accidents. The same study, she said, showed that sparklers are the second-highest cause of fireworks-related eye injuries. Tim Vadness, White Bear Lakes fire chief, said a modern fire department has a great range of responsibilities—water rescue, emergency medical services and other duties in addition to the traditional responsibility of fighting fires. With over 2,000 calls a year, Vadness said, “we’re maxed out.” Legalizing any form of fireworks, he said, will increase the workload for fire departments.

Testifiers also offered commentary on the volunteer firefighter leave provisions in the bill, carried by Sen. Debbie Johnson (R-Ham Lake) and Rep. Tom Hackbarth (R-Cedar). Tom Pressler, president of the Minnesota Fire Departments Association, said making arrangements for dealing with fire calls during the workday, or that lead into the workday, should be a matter left between employers and their volunteer firefighter employees. “I was a volunteer firefighter for 20 years and I had it worked out with my employer,” Pressler said. He said fire officials across the state have said it should not be a function of the state to mandate a leave arrangement. Dan Winkel, fire chief in Andover, said the bill should be called the “firefighter unemployment bill.” There are employers that will not hire firefighters if the state mandates firefighter leave provisions. However, Johnson said that many firefighters have e-mailed her in support of the bill. Winkel said that some firefighters may perceive a benefit, but most volunteer firefighters could be harmed. Andover has good relationships with local employers now, he said, but those relationships will be threatened by a state mandate.

Vadness said his department has an annual luncheon honoring local businesses that allowing firefighters to leave work to fight fires. “Those relationships will turn sour if leave is mandated,” Vadness said. Bob James, Bloomington fire marshal, said one of his employees is a volunteer firefighter with Bloomington. They have worked out an arrangement allowing her to respond to calls during the workday under certain circumstances, he said.

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However a state mandate might mean that the arrangement would have to be tossed out and her leave coordinated by the city's human resources department.

Mike Stockstead, president of the Minnesota Professional Firefighters Association, said though the bill is well-intentioned, it will hinder firefighters. The bill will take away from the ranks of professional firefighters that can volunteer with other departments, he said, because those departments will be able to limit their leave. Stockstead said there are almost 1,400 professional firefighters who also volunteer.

Speaking in support of the bill were representatives of the fireworks industry and retailers. Judy Cook—representing Ohio-based fireworks distributor B. J. Alan—urged the conferees to accept the House language of the bill, which she called “a reasonable and safe approach to fireworks.” Cook said states with some form of legalized fireworks have lower accident rates. Matthew Lemke said the

Minnesota Retailers Association supports measures to extend the sale and use of fireworks. He said the association also has no position on the leave portions of the bill. Hackbarth said he has been told that the Minnesota Chamber of Commerce is not opposed to that provision either.

Sen. David Tomassoni (DFL-Chisholm) said the legislative process is one of compromise and the House and Senate have already found compromise fireworks language—allowing only novelty items. He said that people cannot blindly say that if fireworks are illegal, they will not be used. Minnesotans already illegally use fireworks, Tomassoni said. Since the conferees heard no testimony in support of the firefighter leave provisions, he said, the leave provisions should be removed. Hackbarth said it was unbelievable that the state already has numerous statutes allowing leaves of absence for public officials, election judges, voters, parents attending school conferences, bone marrow and organ donors, and persons

serving with the civil air patrol or on military duty. Johnson said some parties have been trying to kill the fireworks provisions all along. In fact, she said, several members of the fire service testified that they were compelled to come forward primarily because of the fireworks provisions in the bill, not the leave provisions. However, the committee adopted Tomassoni's amendment deleting the firefighters leave provisions. Rep. Mark Holsten (R-Stillwater) offered an amendment clarifying that the novelty items may not be used on public property. That amendment was also adopted. Conferees then adopted the amended conference committee report on a voice vote.

Game and fish bill resolved

Members of the Conference Committee on S.F. 2674, the omnibus game and fish bill, wrapped up their hearings Tues., Apr. 16. The panel, chaired by Sen. Jane Krentz (DFL-May Township) and Rep. Dennis Ozment (R-Rosemount), adopted a



A conference committee on the omnibus game and fish bill, co-chaired by Sen. Jane Krentz (DFL-May Township), right-foreground, and Rep. Dennis Ozment (R-Rosemount), finishes its work Tues., Apr. 16.

Photo by David J. Oakes

Senate Highlights

number of key amendments that resolved the differences in the versions of the bill passed by the Senate and House of Representatives.

The bill contains numerous provisions relating to hunting, fishing, trapping, and the use of all terrain vehicles on state lands. A controversial provision of the Senate bill, restricting the use of off-road vehicles and ATVs on state forest land, was amended to require the commissioner of natural resources to establish a motorized trail task force to review, advise and provide recommendations on the use and management of off-highway vehicles on state forest lands. Ozment offered the amendment and said the provision was aimed at giving attention to ATV use by expressing legislative concern while at the same time providing flexibility for the department to address the issue. The amendment requires the task force to review the quantity and distribution of motorized trails on forest lands and recommend a time frame for trail development.

In addition, the amendment specifies that the task force review and recommend a process for trail planning and development, review current monitoring, maintenance and enforcement activities, review current forest recreation rules and the need for modifications, review the financial resources needed for current and future ATV trail development, management and enforcement and review the recreational interests of nonmotorized forest users and the natural resources protection concerns regarding ATV use.

Ozment said the amendment gives the commissioner flexibility in establishing the members of the task force in order for all interested parties to come to the table and participate in the process.

Tracy Beckman, speaking for the Sierra Club, said the amendment raised concerns about interfering with the environmental review process. However, Krentz responded, "I assure you that no one wants to undermine the environmental review process. The amendment attempts to accommodate ATV users while protecting our natural resources."

Members adopted the amendment after representatives of the All Terrain Vehicle Association of Minnesota, the Minnesota Four-wheel Drive Assoc., the Jack Pine Coalition and the Audubon Society all spoke in support. Steve Morse, assistant commissioner of the DNR, also

recommended that the members omit language in the Senate version authorizing the emergency closing of forest roads to ATVs. "The commissioner already has the power to close forests to ATVs, and the language might limit the authority," Morse said.

The conferees also adopted several additional amendments and various portions of the Senate and House bills. Members adopted House language regarding a trapper education program and House language raising turtle seller license fees from \$70 to \$250. In addition, the House language sets the fee for a turtle seller's apprentice license at \$100. Members also adopted an amendment, offered by Sen. Dennis Frederickson (R-New Ulm), providing that a person may not "shine" a wild animal on fenced agricultural land containing livestock or poultry that is marked with signs prohibiting shining.

Another controversial provision, the prohibition on using motorized decoys, was also addressed by an amendment offered by Frederickson. The amendment prohibits the use of the motorized decoys just from the opening day of duck season through the Saturday nearest Oct. 8 each year. Frederickson said the amendment was designed to protect those birds raised in the area that are not used to hunters. Members adopted the amendment.

Frederickson offered two additional amendments, both of which were adopted, that addressed differences in the two versions of the bill. The first amendment clarified language in the bill relating to fishing contests. Under the amendment, the commissioner may allow up to five additional permits each year for fishing contests on bodies of water that are 5,000 acres or more in size. Further, the amendment specifies that no more than one additional contest may be permitted on one body of water in a single year. The second amendment resolves differences on provisions relating to aquatic vegetation. Frederickson said the amendment provides for distinguishing between legal and illegal gathering, harvesting, planting or destroying aquatic vegetation.

Members also adopted House language relating to landowners adjacent to waters licensed as a private fish hatchery or aquatic farm. The provision allows the landowners, their children and their grandchildren to take two daily limits of fish per month.

At earlier hearings, the panel adopted provisions of the bill containing identical language. The members then approved the conference committee report and adjourned the hearing.

Streaming Videos Available

Two videos, "Discover the Capitol" and "Rules, Laws and Process," can now be accessed through the Legislature's website at <http://www.leg.state.mn.us/leg/youth/video.htm> (Requires Real Player or Windows Media Player.) These videos are excellent sources of information on the history of the State Capitol and on how laws are made in Minnesota. For more information or to borrow a video tape of either program contact Senate Media Services at (651) 296-0264.

Frequently called numbers

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Chief Clerk of the House	
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110 Capitol	(651) 296-2887
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Senate Information	
231 Capitol	(651) 296-0504
Toll free	1-888-234-1112
House Public Information	
175 State Office Building	(651) 296-2146
Toll free	1-800-657-3550
Senate Committee Hotline	(651) 296-8088
House Committee Hotline	(651) 296-9283
Senate Sergeant at Arms	
G-1 Capitol/Chamber	(651) 296-1119
House Sergeant at Arms	
45 State Office Building	(651) 296-4860
Senate Counsel & Research	
G-17 Capitol	(651) 296-4791
House Research	
600 State Office Building	(651) 296-6753
TTY, Senate	(651) 296-0250
Toll free	1-888-234-1216
TTY, House	(651) 296-9896
Toll free	1-800-657-3550
Legislative Reference Library	
645 State Office Building	(651) 296-3398
Revisor of Statutes	
700 State Office Building	(651) 296-2868
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1st Floor Capitol	(651) 296-3962
Capitol Historic Site Tours	
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Capitol Security	
B-4 Capitol	(651) 296-6741

Committee update

Finance

School health plan study approved

Members of the Finance Committee, chaired by Sen. Douglas Johnson (DFL-Tower), approved a bill authorizing a study of school employee health insurance plans at their meeting Thurs., Apr. 18.

S.F. 1755, carried by Sen. LeRoy Stumpf (DFL-Thief River Falls), establishes a committee to gather information and make recommendations for the design of a school employee health insurance plan. Under the bill, the committee must analyze information from current health plans offering insurance to eligible employers. The information must include data relating to employee group demographics, claim experience and other characteristics determined to be necessary to establish rate structures for an insurance plan. The committee must recommend conditions for a health plan that include the plan's structure, benefits, approximate premiums, governance, operations and oversight. Any plan recommended by the committee must be a large plan and must incorporate consumer education, including wellness programs and measures encouraging the wise use of health insurance coverage, with the goal of premium reduction and cost containment. An interim report from the committee is due June 1, 2003, and the committee must complete its preparation of a plan by June 1, 2004, according to the bill.

Stumpf said the study is meant to discover if there is a realistic way to save money while providing health coverage to school employees.

"This really is an in-depth study," he said.

Stumpf offered an amendment that appropriates \$670,000 in both 2003 and 2004 from the general fund to implement the legislation. The amendment also requires the rate structure of the plan to enable the administrator of the plan to repay \$1.34 million to the general fund within 5 years if a school employee health insurance plan is implemented.

Sen. Sheila Kiscaden (R-Rochester) asked how the legislation will be funded. The committee, she said, already approved a budget. She said the bill takes money left unspent for emergency issues and starts to spend it.

"I think this is a large problem, but I think it's not prudent to spend down the reserves even further."

Sen. Martha Robertson (R-Minnetonka) asked if the legislation was Legislators' first choice for new spending.

"Why would we have this magic money that has kind of shown up and say this is where we're going to spend this money," she said. "That's the problem I have."

Stumpf said school employee health care costs totaled approximately \$475 million this year and will cost around \$550 million next year. Legislators could wait, he said, but health care costs are the fastest growing costs in education. He said maybe it is at least possible to stabilize costs through the study and in the long run save the state more money than the cost of the study by having a more comprehensive and efficient plan for school employees.

Sen. Linda Berglin (DFL-Mpls.) said she supports the bill. She said inflation costs in health care are eating away at inflation funding for the basic education formula. Whatever the Legislature wants to put into education, she said, is eroded. As a result, Berglin said, education funding won't go for classrooms, but for health care costs instead.

"I believe there will be ways to reduce costs in a number of areas in the health care plans that school employees have," Berglin said.

Sen. Pat Pariseau (R-Farmington) asked why the study only focuses on school employees. She said there are other groups in the state that should be included in the study besides those in the education industry.

"Why do we ignore the rest of them?" she asked.

Stumpf said he understood Pariseau's concern. He said cities, counties and small employers are all struggling to find ways to insure their employees. However, realistically, he said, it is only possible to focus on a certain area at a time. Sen. Jane Krentz (DFL-May Township) said the study can be used as a model for other groups if it works. She also said 40 percent of teachers are no longer in the field after 5 years. By addressing the high costs of school employee health care, she said, the study may help keep teachers in the field longer.

Sen. Claire Robling (R-Prior Lake) said the state employee health plan is already a model of a large health plan. Many different kinds of people are covered by it, she said. She said the plan costs more than the average health plan and that it would be better to cover people

by region instead. She also said she can't support spending money that the state doesn't have. Sen. Cal Larson (R-Fergus Falls) said studies regarding health plans have been done in the past. He also said the state should be looking at ways private businesses provide health insurance for their employees.

"For us to spend over \$1 million to do this study is absolutely ridiculous," he said.

Berglin said she doesn't believe the state employee health plan is a model. She said it has been said that an investment of \$4 million for wellness issues would save \$8 million in the future. However, she said, this has not been done. The bill, she said, accounts for wellness issues. The amendment was adopted.

Robertson offered an amendment requiring the committee to analyze and compare the costs, coverage provided, financial feasibility, solvency and management of existing plans to a proposed statewide plan. The amendment also requires the committee to proceed with the plan specified by the bill if it is determined that a statewide plan would reduce insurance costs.

Berglin said she was concerned with the amendment because it only allows for implementation when cost reduction, and not cost stabilization, is shown. Robertson agreed to delete the language regarding the issue. The amendment was adopted. The bill was approved by a vote of 23 to 8 and advanced to the floor.

CONFERENCE COMMITTEES

Anti-terrorism

Color-coded licenses debated

Legal immigrants receive color-coded driver's licenses under a provision in the House anti-terrorism bill, a provision that is not included in the Senate's bill. The conference committee on H.F. 2622, chaired by Sen. Jane Ranum (DFL-Mpls.) and Rep. Rich Stanek (R-Maple Grove), met Thurs., Apr. 4, to discuss the differences between the bodies' anti-terrorism measures, focusing on driver's licenses.

The House bill makes three major changes to driver's license regulations, none of which are included in the Senate bill. The first allows the state to make the licenses of temporary residents with visas a different color than permanent residents. Commissioner of Public Safety Charlie Weaver said the state already issues

Committee update

differently colored cards for minors to give store clerks notice that they are not allowed to buy alcohol and cigarettes. "Who scares you more," he asked, "a teenager with a cigarette or a terrorist with a bomb?"

"Every 17-year old who buys cigarettes does so illegally," said Sen. Steve Kelley (DFL-Hopkins), "but not every immigrant is a terrorist."

Weaver said, "The color of the license will give notice to police officers, persons in the courthouse, people in the airports and store clerks. Let's make it easy for people to check on immigration status and make immigrants have a different color."

"The colored driver's licenses are going to make life a whole lot harder for a lot of innocent folks," Kelley said.

"Walking into a courthouse, taking flying lessons, and shopping at convenience stores are not unlawful activities," said Jorge Saavedra from Centro Legal. "Having a different colored driver's license is a signal. It's going to signal landlords, employers and store clerks, who are likely to discriminate because of it," he said.

James Kilkoff, representing ISAIAH, an inter-faith political justice organization, said, "What would happen to an immigrant who shows his ID, which has on it his name and address, to a store clerk who hates immigrants." He said members of his organization likened the colored-coding for specific members of the population to yellow stars Nazis forced Jews to wear during the Holocaust. "The bill foments hate and fear in Minnesota," he said. "No one is proud of Minnesota's ban on the German language during the first World War or the internment of Japanese prisoners during World War II," he said. "Those were shameful acts. Anyone who supports these provisions today will be shamed tomorrow."

Ben Casper, an immigration attorney, said immigration is a dynamic and complicated area of law, which police officers, Dept. of Public Safety workers and store clerks are not equipped to interpret. He said, as drafted, the House driver's licenses provisions do not use terminology familiar to immigration lawyers and create new categories of immigrants not currently in federal law. "It is not a good idea for states to carry out immigration law," he said. "It raises so many questions practically that it doesn't make any sense." He said the House bill did not address refugees and asylees, who make up almost half of Minnesota's immigration population.

Casper also said the complexities and dynamism of immigration law made it very difficult to enforce through local agencies. "The House bill makes hundreds of undertrained immigration attorneys out of the people behind the counter at the Department of Public Safety office," he said.

"If five people all with expired visas, are all getting on the same plane and are all from the Middle East," said Weaver, "you're probably not going to let them get on the plane." "Maybe they are just going home," said Rep. Mary Murphy (DFL-Hermantown).

The second driver's license provision exclusively in the House bill is the expanded identification requirements for driver's license applications. Weaver said last year 4,500 applications were rejected due to suspected fraud. The House bill requires applicants from other states to show their current non-Minnesota licenses as well as a second form of Minnesota identification. Currently, licenses from other states are accepted as valid identification for licenses. "We cannot rely on licenses from other states as valid ID," said Weaver. He said many people who cannot get Minnesota licenses get licenses from Wisconsin or South Carolina, where requirements are less strict, and then trade in their out-of-state licenses for Minnesota ones.

A third provision in the House bill ties the expiration date of licenses to the length of legal stay on a visa. The date of visa expiration, the measure specifies, is to be printed on an immigrant's license. "We know people who have over stayed visas have killed thousands of people in this country," Weaver said. The House bill, he said, will make it easier to track and identify persons over staying their visas.

Kilkoff said, "Fake IDs are a demand driven economy. If an individual has to have an ID, the person will find a way of getting one, regardless of whether the person has to lie, cheat or steal." Terrorists are not immigrants, he said. Terrorists are criminals and like criminals, he said, they will do anything to get IDs, whether or not its legal. "Nothing in these bills would have stopped Sept. 11," he said.

Weaver said 15 of the suspected Sept. 11 terrorists had expired visas. One of which, he said, had been stopped by a traffic officer only two days before the tragedy.

By relying on the federal immigration documents for identification, Kilkoff said, the state further jeopardizes the rights of immigrants. "We are saying the best authority on immigration is the federal system, which issued 15 visas to terrorists, including 2 dead terrorists whose visas just came in the mail," he said.

Differences discussed

Bomb squads, juvenile records, biological agents registry, a fee for calling 911 and several other anti-terrorism proposals were considered by the Conference Committee on H.F. 2622, when the group met Tues., Apr. 9.

The House bill requires courts to disclose juvenile criminal records to requesting law enforcement agencies, probation officers, corrections agents and prosecuting authorities. Currently, judges may give access to these records. Anoka County Attorney Bob Johnson said currently several counties do give access to the records, but a judge in Anoka County has ruled against sharing the information. He said the law is required so law enforcement officers may make decisions with the greatest degree of information possible.

Sen. Jane Ranum (DFL-Mpls.), committee co-chair, said she is hesitant to support the House changes because the provision was added as an amendment and never received full attention as a bill. "One judge in Anoka County has concerns and we are expected to rewrite juvenile record law to get around that," she said. The provision, she said, was not strictly an anti-terrorism measure and did not fit in the bill.

The House bill also contains funding for additional security at the Capitol, which the Senate version does not. Colonel Anne Beers, chief of the State Patrol, said right now security is provided by non-sworn guards. The funding, she said, will be used to hire full-time troopers and pay officers' overtime during session. She said currently security is lighter at the Capitol than it has been in the past because funds from the trunk highway account may no longer be used to pay for security.

The Division of Emergency Management's duty officer must activate a bomb squad before such a unit may respond to an incident, under the House version. Jerry Rosendahl from the Division of Emergency Management said there are four bomb squads in local police agencies,

which receive state reimbursement for work outside of their jurisdictions. He said that although squad members become state employees when responding to non-local emergencies, the state may not find out about their activities until 90 days after the event, when the agencies apply for reimbursement.

The House bill specifies that chemical assessment teams are empowered to mitigate hazardous materials incidents when the team is equipped and qualified to do so. Under present law, chemical assessment teams may only evaluate hazardous material incidents. Rosendahl said, "If chemical assessment team is on a scene where a propane tank has tipped over and the valve needs only to be closed to prevent further spillage, the team is forbidden by law from doing it."

Two of the provisions exclusively in the House bill, the formation of a biological agents registry and the mandatory collection of DNA samples from all convicted felons, are not in the Senate bill because the Senate could not find the funding for them, said Ranum.

The House bill requires any organization or individual with potentially dangerous biological agents, as characterized by the federal government, to disclose the possession to the commissioner of health. The commissioner is directed, under the bill, to create a biological agents registry to track the possession of dangerous biological agents. According to the bill, the information collected by the Dept. of Health may be used to assist in investigations of the release, theft or loss of biological agents and any crimes related to them.

Norman Crouch, director of the state health laboratories, said the effectiveness of the registry depends upon whether individuals and organizations disclose what biological agents they have. He said in many cases, scientists obtain substances before they become known agents. For example, he said, a biochemist working with a virus may stop using it, store it in a refrigerator for many years, and forget it's there. If in the mean time, he said, the virus is listed as a biological agent, its possession will not be reported.

The House bill requires the collection of DNA samples from felony offenders upon their sentencing or release. Rep. Rich Stanek (R-Maple Grove), committee co-chair, said if the House provision is not adopted, 17,000 DNA samples will not be

collected. He said although the House bill only funds one year of collection, he suspects the testing will be continued in the future and further funding will be provided in the next session.

The Senate's anti-terrorism bill includes a 25-cent increase in the 911 emergency telephone service fee, which is currently 27 cents a month. The money is allocated to various emergency systems. From the fee, nine cents is dedicated to the Metropolitan Radio Board. The public safety answering points, which receive and process 911 calls, get 7 cents of the fee, and 2 cents goes toward the development and implementation of a communications system called FireNet, which connects firefighters with emergency medical services providers.

A penny from the fee is earmarked for the medical resources communications center, which coordinates the communications between ambulances and hospitals. Stanek said that today the state program is funded through local property tax dollars. Dr. R.J. Fransconi from Regions Hospital said without the system, ambulance drivers would take patients to the nearest hospital, which may not be the most appropriate. Ranum said New York City's lack of a similar communications center made responses to the 9-11 tragedy less effective.

Rep. Doug Fuller (R-Bemidji) asked if there were alternatives to funding the center through the 911 fee. Frasnconi said, "Getting money from hospitals and municipalities is like getting blood out of a turnip." He said both entities are increasingly strapped for funding and Medicare does not allow hospitals to charge patients for the service.

Budget reconciliation

Reconciliation plans compared

Members of the Conference Committee on H.F. 3270, chaired by Sen. Douglas Johnson (DFL-Tower) and Rep. Kevin Goodno (R-Moorhead), met Thurs., Apr. 4, to compare the House and Senate plans for phase two of the budget reconciliation process.

In what was dubbed "phase one" of the budget reconciliation process, legislation was passed erasing a projected shortfall of approximately \$1.9 billion for the 2002-03 biennium. Phase two of the process erases an additional shortfall of approximately \$439 million in 2002-03 discovered by the February forecast and

partially deals with a shortfall of approximately \$1.4 billion for the 2004-05 biennium.

The Senate and House plans to deal with the shortfall are markedly different. The Senate proposal relies heavily on a tobacco tax, accounting changes and money transfers to deal with the shortfall. The House plan relies heavily on spending cuts and a transfer of money from the tobacco endowment fund to deal with the shortfall. Each plan eliminates the additional \$439 million shortfall in FY 2002-03, while the Senate plan eliminates approximately 21 percent of the FY 2004-05 shortfall and the House plan eliminates approximately 18 percent. The Senate plan, through the tobacco tax, also restores \$538 million to the state's budget reserves.

Specifically, the Senate proposal to deal with the budget shortfall increases the tax on cigarettes by 60 cents—accounting for about half of the revenue raised by the plan—and requires half the increase to take place in May 2002 and the next half to take place in January 2003. The measure also requires the tax to be linked to future inflation rates. The plan saves approximately \$312.5 million by delaying a portion of payments to school districts for one year, saves \$37 million through human services accounting shifts, raises \$70 million by requiring Wisconsin residents who earn money in Minnesota to file a state tax return, raises \$130 million by delaying until 2006 the intended repeal of an accelerated sales tax payment for businesses and raises \$15 million by repealing the exemption on sales tax for WATS line telephone calls. The measure also converts from cash to bonds \$245 million in planned spending for road improvements, eliminates a \$155 million cash flow account used as a protection against state account shortfalls and transfers \$52 million from the workers compensation special fund.

The House proposal transfers \$325 million in 2002-03 from the tobacco endowment. The measure makes cuts during the 2002-03 biennium of approximately \$57 million to the health, human services and corrections budget, \$37 million to the state government budget, \$10 million to the environment budget and \$6 million to the early childhood education budget. The plan also makes cuts of \$1.7 million to the judiciary budget and \$1.3 million to the economic development budget. No cuts are slated for

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Senators Cal Larson (R-Fergus Falls), left, and Mady Reiter (R-Shoreview) confer on the Senate floor during a Senate floor session.

Photo by David J. Oakes

either the budgets of higher education or K-12 education.

Members discussed the specific proposals made by each body for the budgets of early childhood education, K-12 education, higher education, environment and state government. In the early childhood education budget, the House in 2002-03 reduces \$1.66 million to early childhood family education aid, \$1.5 million to basic sliding fee child care, \$500,000 to child care development and \$2.363 million in adult basic education aid. The Senate plan, on the other hand, makes no reductions and also includes no new spending increases.

In the K-12 budget, the House transfers \$200,000 from the tobacco endowment and appropriates \$200,000 for a school health plan feasibility study. The Senate plan calls for a 1.5 percent inflationary increase for K-12 education. The proposal appropriates \$13.9 million for schools with a cash flow problem because

of the delay in school funding, \$750,000 for the Perpich Center for Arts Education, \$295,000 for a Duluth referendum increase, \$300,000 for declining enrollment aid for Albert Lea and \$1 million for declining enrollment aid for the Range Districts. In total, the Senate appropriates an additional \$16 million in new spending in the K-12 budget. The Senate also appropriates \$7.8 million—raised through a telecommunications access fee—for telecommunications related services.

In the 2002-03 higher education budget, the Senate includes new spending of \$12.7 million. The House has no new spending or reductions in current spending plans. The House proposed a \$37 million reduction from the state government budget, a reduction of approximately \$4.65 million is from the operations budget of the Legislature and another \$6.2 million from a Legislative operations carryforward from the previous biennium. The House cuts funding by reducing the

budget of the Office of the Attorney General by \$627,000, the Office of the Secretary of State by \$175,000, the technology enterprise fund under the Department of Administration by \$200,000, the State Arts Board by \$389,000 and an open appropriation to the Target Center in Minneapolis by \$500,000. The House also reduces spending with general reductions of approximately \$22 million through an executive branch reorganization, hiring and contract freezes and through transfers totaling \$4.1 million from the building codes fund surplus, auto theft prevention grants and the Minnesota conservation fund account. The Senate plan reduces spending through the state government budget in two ways; delaying for six months the felony DWI to cut \$127,000 and a differing version of the contract freeze to cut \$7.7 million. In the environment budget, the House cuts funding by transferring \$10 million from the recycling

block grants. The difference is made up by transferring \$10 million from the solid waste fund—which is revenue raised through taxes—for the grants. The Senate plan appropriates \$175,000 to restore the agriculture information centers eliminated in phase one of the budget plan and reduces by \$175,000 funding for Department of Agriculture administration purposes to make up the difference.

Johnson said the Senate plan regarding the budget shortfall is an appropriate balance of spending reductions and tax increases. He said restoring the budget reserves was “critical” for preserving the credit rating of the state. There are tax increases in the plan, he said, but he added that they are necessary to prevent large cuts in human services, to continue to fund programs for children and to ensure that no programs for the most vulnerable Minnesotans are cut. He said the House plan relies too heavily on budget cuts that hurt many of those vulnerable Minnesotans.

“We think that it is very unfair,” he said. “We think that it is very cruel to some of the low income people in Minnesota and some of the most vulnerable Minnesotans in our state.”

Johnson also compared the current climate in the Legislature to the mid 1980s, when taxes in the state were cut by \$1 billion and human services spending was slashed.

Rep. Philip Krinkie (R-Shoreview) said there is no comparison between what happened in the mid 1980s and what is happening now. In the 80s, he said, the general fund received a 10 percent cut. Now, however, he said what is being discussed is around a 1.5 percent cut to the general fund. No action was taken on the measure.

Public testimony heard

Members of the Conference Committee on H.F. 3270—the budget reconciliation bill—met Fri., Apr. 5, to discuss the different House and Senate proposals in the bill for the budgets of health, human services, corrections, jobs and economic development and to hear public testimony regarding the bill. The meeting was chaired by Sen. Douglas Johnson (DFL-Tower) and Rep. Kevin Goodno (R-Moorhead).

The budget reconciliation measure is meant to eliminate an additional shortfall of \$439 million for the 2002-03 biennium discovered in the February forecast and to deal partially with a projected \$1.4 billion

shortfall in 2004-05. At the previous meeting, members discussed the different Senate and House proposals to deal with the budget shortfall. Members also specifically discussed the House and Senate plans—much different in scope—regarding the plans for the budgets of early childhood education, K-12 education, higher education, environment and state government.

The Senate and House plans for the budgets of health, human services and corrections and jobs and economic development are also much different. In health, human services and corrections, the House calls for a reduction in funding of approximately \$57 million over the 2002-03 biennium. The House calls for a spending reduction in the budget of nearly twice that amount in FY 2004 and nearly 2.5 times the amount in FY 2005. Also, the House transfers \$325 million from the statewide tobacco prevention endowments to the general fund in 2002 to help eliminate the budget shortfall. Regarding specific reductions in the budget, the House cuts funding in 2002-03 by reducing a program expanding health care to children by approximately \$14 million, transferring \$6.6 million from the consolidated chemical dependency treatment tier II reserve fund to the state’s general fund, transferring balances of \$5.25 million from certain state operated services accounts to the general fund and reducing funding for family planning special projects by \$1.1 million. The House reduces the budget shortfall by approximately \$120 million by consolidating General Assistance Medical Care (GAMC) into MinnesotaCare, by \$700,000 by reducing eligibility for General Assistance (GA) to 6 months out of every 24 months, by \$300,000 by reducing eligibility for Minnesota Family Investment Program (MFIP) assistance to 120 percent of poverty, by \$460,000 by placing a sunset on the 24-month MFIP education program and by \$56,000 by repealing a proposed study of children enrolled in the MinnesotaCare and Medical Assistance (MA) programs. The House proposal also reduces federal Temporary Assistance for Needy Families (TANF) funds by \$2.1 million to sunset the 24-month MFIP education program and by \$1.4 million to reduce the eligibility for MFIP assistance to 120 percent of poverty. The House transfers the TANF money saved to other areas where it is eligible for use.

The House plan also transfers approximately \$92 million from the general fund to the health care access fund in 2003, and makes new appropriations to the GAMC victims of torture account, for an informed consent provision and to the veterans homes to cover deficiencies.

The Senate proposal has new appropriations totaling approximately \$300,000 and includes fewer reductions in funding. The Senate reduces the budget shortfall in 2002-03 by approximately \$36.9 million by delaying certain payments to counties, by \$7.6 million by reducing pharmacy reimbursements, by \$500,000 through a Medical Assistance employed persons with disabilities proposal and by various amounts in different parts of the corrections budget by delaying for 6 months the felony DWI. The Senate plan reduces the shortfall by taking federal TANF carryforward funds of \$3 million from the previous biennium from the pathway program under the Minnesota Department of Trade and Economic Development and \$2.25 million from the health care worker training program under the department. The plan uses TANF funds to include new appropriations of just over \$5 million for extensions to two MFIP programs and \$1.45 million to cover a county administration shortfall. The Senate plan uses general fund money for new appropriations for critical access grants to pharmacies, critical access grant administration, a medical case management program for MA eligible children, state operated services, the veterans home deficiency and several corrections programs. The Senate also increases funding to the Department of Corrections in 2004-05 that was reduced in phase one of the budget reconciliation plan.

In the jobs and economic development budget, the House reduces the budget shortfall in 2002-03 by cutting \$480,000 in funds to the Minnesota Film Board, \$425,000 to the jobs skills partnership program, \$400,000 to the manufactured home park redevelopment program and by transferring \$6.695 million from the Minnesota minerals 21st century fund to the state’s general fund.

The Senate makes no reductions to the budget for jobs and economic development. The measure includes new appropriations of \$7.6 million for the dislocated workers program and a total of \$17.7 million to extend unemployment insurance benefits to laid off workers from

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Farmland Foods, Fingerhut, Potlatch and to the airlines and industries related to the airlines. The proposal also has new appropriations of \$7.6 million covering two areas within the workforce development fund and \$20.16 million to increase the eligibility for the unemployment insurance fund from 60 percent to 70 percent of the average annual wage.

Members listened to testimony from a long list of persons regarding the various budget reconciliation proposals. Jan Malcolm, commissioner of the Minnesota Department of Health, spoke against the House plan to use tobacco endowment funds to help eliminate the shortfall. Malcolm said 90 percent of those who smoke do so for the first time in their teenage years. Because of this, she said, it is important to keep funding designed to prevent youths from smoking. She said most health commissioners in the country, regardless of party affiliation, say teen smoking is the number one health issue in their state. Malcolm also said smoking takes a huge economic toll on the state. She said that reducing smoking rates by 30 percent would save approximately \$480 million each year in health care costs alone. The endowments, she said, provide a long-term revenue stream for a long-term purpose. Without the endowments, she said, it is difficult to compete with all of the other options for funding from the general fund. She also said the programs currently funded through the endowment are working.

“We are starting to make a difference in youth smoking for the first time in decades,” she said. “It’s very important to prevent teens from becoming addicted smokers.”

Deputy Commissioner of Corrections Dennis Benson testified regarding cuts to the Corrections Department made in phase one of the budget reconciliation plan. The Senate restores much of the reduction in phase two, while the House does not. Benson said the department faces cuts of approximately 8.5 percent. Yearly sentencing enhancements, he said, add to the costs. He said prisons must be adequately funded to keep them safe for staff and inmates.

“If we aren’t adequately funded we are absolutely going to have problems,” he said. “The budget before us is fraught with disaster from my perspective.”

Rep. Philip Krinkie (R-Shoreview) spoke regarding the Senate phase two

proposal for the Corrections Department, which restores cuts in funding made in phase one and exempts the department from the hiring and contract freeze. He said the Senate should not exempt the Corrections Department from the hiring and contract freeze. If one agency is exempted, he said, then the freeze falls harder on the other agencies. Krinkie also said the decisions regarding the Corrections Department were already made during phase one, and that it was inappropriate to go back and open up the issue after the decision has been made.

“Unless we’re going to go back and plod through every agency’s budget, I think that the way we structured this in phase one and from the House perspective in phase two makes the most sense,” he said.

Responding, Johnson said the Legislature must go back and address issues when new information is obtained or if a mistake is made.

“It’s our responsibility to change things if we’ve done something wrong,” he said.

Sen. Lawrence Pogemiller (DFL-Mpls.) quoted from a letter written by Benson that states that staff, inmates and the public will be in danger if cuts to the Corrections Department are not restored. He asked members if creating a dangerous situation was what they really wanted to do. Also, Sen. Linda Berglin (DFL-Mpls.) said there are two choices for the Legislature: sentences must be reduced and people must be released earlier, or the Legislature must pay to keep people in prison.

Many individuals from different community agencies also testified. Karla Wiegold, president of Residents for Affordable Housing, said taxes should be raised and programs should not be cut. She said so much time and effort is being spent on innovative ways to build a stadium—a place for “millionaires to play,” she said—that it seems like a way to provide affordable housing can be found also. She said social service programs are important to help people become self-sufficient.

“Once you get down, it’s awfully hard to come back up without help,” she said.

Jim Koppel, executive director of the Children’s Defense Fund, spoke regarding reductions in health care programs. He said the Department of Human Services takes a disproportionate hit compared to other

state budgets. He said families should not be put in a vulnerable position where a medical problem could cause them to fail. Koppel also said taxes should be raised instead of reducing funding to certain programs.

Sue Watlov Phillips, executive director of Elim Transitional Housing, spoke against the House position to limit eligibility for GA to 6 months out of each 24 month period. She also said taxes should be raised and funding reductions should not be made. She said the state is experiencing a shortfall because of tax cuts and rebates made in previous years. She said she thought the tax cuts and rebates were bad decisions at the time, and still thinks they were bad decisions now. She said homelessness will increase if eligibility for GA is limited. She also said if local units of government decide to pick up the slack, property taxes will go up as a result. Either way, because of the provision, she said, property taxes will increase or people will end up on the street.

“It doesn’t make fiscal sense. It’s also inhumane,” she said. “These changes we’re looking at will devastate people’s lives.”

Economic Assistance Unit Supervisor for Hennepin County Waly Taraszuk also spoke against the cuts in GAMC that transfer GAMC recipients to MinnesotaCare. He said problems will be created for hospitals if more individuals are transferred to MinnesotaCare. The provision, he said, forces hospitals to pay for uncompensated care because there is a limit to the amount that MinnesotaCare pays for. Tom Lehman, from the Minnesota Hospital and Healthcare Partnership, also testified in opposition to the House proposed elimination of the GAMC program. Lehman said eliminating GAMC places great strain on Minnesota hospitals. He said the elimination forces hospitals to provide more uncompensated care. This, he said, will force hospitals to shift the costs to the local population, and may put certain services in jeopardy. Lehman said access to care is already increasingly in jeopardy, because 35 hospitals have closed over the past 20 years. Raising money through a tobacco tax, he said, is a more acceptable solution to the budget shortfall. He also said hospitals received one-third of the human services related cuts in phase one, and other programs should take a cut also.

“We are being asked to give and give,” he said. “Other groups are not.”

Some Legislators had concerns with the number of taxes contained in the Senate plan. Krinkie said some state expenditures and employees must be reduced instead of raising taxes. He said many people in “main street Minnesota” are losing their jobs. It is unfair, he said, to balance the state’s budget by raising their taxes.

Sen. Dick Day (R-Owatonna) said Minnesotans already pay too much in taxes. Many families, he said, work well over 40 hours each week just to keep up with the taxes that they pay.

“What we’re doing in Minnesota is we’re absolutely annihilating people who are working,” he said.

Marc Manley, executive director of the Center for Tobacco Reduction, spoke against using the tobacco endowments to deal with the budget shortfall. Instead, he said he favored the Senate plan to raise the tobacco tax. He cited a list of 130 different Minnesota organizations that also support raising the tobacco tax. Manley said tobacco is the leading cause of death in the United States, killing more people in one day than “hard drugs” kill in a year. He also said that \$2.6 billion is spent in Minnesota each year because of tobacco use. Raising the tobacco tax, he said, saves lives, improves health and saves money.

“Increasing the cigarette tax is the single most effective way to reduce tobacco use by youth,” he said. “This single act would provide us with a healthier population for decades.”

Krinkie said increasing the tobacco tax just forces those who are addicted to smoking to pay more to obtain cigarettes. Those who do not smoke, Krinkie said, are telling people to tax those who do. He also said in theory the higher the price for tobacco, the less people can afford it. However, he said there are other alternatives for buying tobacco products over the counter, such as theft, the black market and buying from Indian Reservations.

Manley said cigarette prices are higher in Wisconsin and there have been no problems with people crossing the border to buy cigarettes. He also said prices are much higher in Canada—even with a tax increase—and there have been no problems because of that either. No action was taken on the proposal.

Tax proposals discussed

Members of the Conference Committee on H.F. 3270—the budget reconcilia-

tion bill—discussed the tax provisions in the Senate plan for reconciliation at their meeting Tues., Apr. 9. Members of the committee, chaired by Sen. Douglas Johnson (DFL-Tower) and Rep. Kevin Goodno (R-Moorhead), also listened to public testimony regarding the House and Senate proposals for reconciling the budget shortfall.

The major tax initiative in the Senate plan is the tobacco tax hike, which includes a 60-cent per pack increase on cigarettes and a 35 percent to 49 percent increase in the wholesale price of all tobacco products. In the 2002-03 biennium, the Senate proposal raises approximately \$174 million through the tobacco tax increase, and nearly \$376 million in 2004-05. The Senate plan also includes several other tax increases or modifications that raise different amounts of money. Through several income and corporate tax changes—including a requirement that Wisconsin residents working in Minnesota file a Minnesota income tax return—the Senate raises \$58 million in 2002-03 and nearly \$135 million in 2004-05. By delaying a sales tax acceleration to 2006, the Senate raises no new revenue in 2002-03, but raises \$137 million in 2004-05. By repealing a sales tax on a certain inter-state phone service, the Senate plan raises no new funds in 2002-03 but raises nearly \$15 million in 2004-05. After several modifications that result in small tax decreases in certain areas, the Senate plan raises approximately \$222.5 million in 2002-03 and \$645 million in 2004-05.

Members also continued to listen to testimony regarding the different plans for budget reconciliation. Dennis Erno, deputy commissioner of the Minnesota Department of Revenue, spoke regarding the \$19 million cut to the Revenue Department. Erno said \$14 million of the reduction is a direct cut. When deciding what to cut, he said, the department tried not to make cuts in areas that generate revenue for the state. The department, he said, can cope with the cut. However, he said the additional \$5 million of the reduction comes as the result of the hiring and contract freeze.

This, he said, makes it more difficult to avoid cutting areas that focus on generating revenue, such as noncompliance. He said as a result of the additional reduction, the department will collect an estimated \$14 million less than anticipated in 2002-03 and will collect even

less in the next biennium. After the first \$14 million, he said, the department had no other choice but to make cuts in the collections area.

“It’s not a direction we wanted to go,” he said.

Rep. Philip Krinkie (R-Shoreview) asked why the department didn’t touch the \$5 million earmarked during a recent previous session for further noncompliance activities. He called the money—which enabled the hiring of 45 more employees in the department—a Senate initiative to “extract” more money from the taxpayers. He asked why the department needs 45 more employees to achieve greater tax compliance.

Responding, Johnson said that people are required to complete the necessary work. It is the same in government, he said, as it is in the business world. Johnson also said that the money collected with the additional funding is collected from people who owe it.

“These are people that actually owe taxes,” he said.

Pam Wheelock, commissioner of the Minnesota Department of Finance, said the additional funding for tax compliance was actually a governor’s initiative. She said that when money is reduced there will be a negative impact on the department. If more money is available, she said, there will be a positive impact. Wheelock also said the general fund problem is aggravated by \$14 million as a result of the reduction in funds to the Revenue Department. More money should be made available, she said, to avoid the additional loss in revenue collected. Matthew Smith, commissioner of the Revenue Department, said he believes the department owes it to all taxpayers to get compliance from individuals who are not paying their taxes properly. In every conversation with taxpayers, he said, they tell him that those who are not paying taxes should be made to.

“This is the right kind of thing to do,” he said, “and we’re trying to preserve our ability to do that.”

Wheelock also discussed the House proposal to save money through a reorganization of the executive branch. She said the House used outdated numbers when forecasting the amount of money saved in the proposal. Such a change, she said, should not be done unless it is driven by a business efficiency function. Wheelock also said she was skeptical the reorganiza-

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tion will save any money on top of the budget cuts already put in place.

"I can't believe [the executive branch] is even able to think about enacting this when dealing with budget cuts," she said. "It is the wrong time to pursue something like this."

Johnson asked what it would take to maintain the staff at the governor's residence. Wheelock said she didn't know. However, she said the best way to maintain the staff would be to restore money for that specific purpose. Krinkie said the House State Government Committee recommended appropriating money to keep the residence open for ceremonial purposes. He said if events are catered there is no need for a full time staff. He also said the governor could keep the residence open if he wanted to. The Legislature, he said, just appropriates money, and others decide what to spend it on.

Wheelock said there has been a 15 percent cut to the governor's budget. With the reduction, she said, the governor is using his best judgement on how to protect the best interests of his office. She said this is a case of Legislators making decisions and not liking the consequences. Krinkie, however, said the cuts to the state government budget are minimal compared to the 25 percent increase it has received since the governor took office. Wheelock said the concern in the executive branch is not in the level of reduction, but in the areas in which it is applied.

Sen. Linda Berglin (DFL-Mpls.) asked Wheelock about the House proposal for further reductions in hiring in certain areas of the budget. She is concerned, she said, about getting a backlog of individuals waiting to obtain certain licenses. As a result, she said people may not get their licenses and the state may not obtain the usual revenue for them. Wheelock said an option other than hiring and contract freezes should be considered.

Others testified regarding plans for budget reconciliation. Bill Blazar, from the Minnesota Chamber of Commerce, spoke against the tobacco taxes raised in the Senate proposal. He said the budget can be balanced without raising taxes. A tax increase, he said, will slow the economic recovery currently taking place and will reduce the recovery in the long run. He said expenses should not be added to by raising taxes.

"We don't like tax increases; we are very fearful of their impact on the

economy and it's ability to recover," he said. "We're very fearful that any tax increase will affect the economy."

Sen. Lawrence Pogemiller (DFL-Mpls.) asked if the chamber really believes a tobacco tax will affect the economy. Blazar said the chamber hears the most concern from retailers and those in border communities. He said the tax affects certain communities more than others. Any additional tax, he said, has a negative impact.

If price increases hurt economic recovery, Pogemiller asked if the public can also expect to see no general price increases in cigarettes. He also asked why, if all additional taxes are negative, the chamber has said it is not necessarily opposed to a gas tax increase. Responding, Blazar said revenue raised from a gas tax increase will be used to build state infrastructure. Rep. Ron Abrams (R-Minnetonka) joined the debate. He said anytime money is taken from the private sector and given to the government there will be negative consequences. The question, he said, should be which tax has the least and most effect on economic growth. Pogemiller said a tax on gasoline allows the state to invest in transportation to move goods. That, he said, has an economic benefit. However, Pogemiller added that it appears that smoking—because of its health impact—takes money from the state's budget. There is also an economic benefit, he said, in reducing smoking. Pogemiller also asked if the chamber sees a connection between reducing smoking rates and reducing health care costs. Blazar said the chamber is aware of the connection. However, he said more research must be done to establish a link between an increase in price and long term consumption. Pogemiller said that the research has already been done.

Krinkie asked Blazar if it is the view of the chamber that more cuts can be made instead of increasing taxes. Blazar said it is the chamber's view that more reductions can be made. Sen. Leonard Price (DFL-Woodbury) said if the chamber believes more cuts can be made, they should state from where those cuts should come. He asked where the chamber thinks cuts can be made, with the goal of maintaining the quality of life in Minnesota. Blazar said the House has said that nothing should be off limits. He also said the chamber will stand behind whatever decisions are made.

"We're prepared to live with your decision," he said.

Steve Jatzcak, telecommunications coordinator for many school districts and libraries in Northern Minnesota through the Learning Network of Minnesota, spoke in favor of the Senate plan to raise revenue for telecommunications services through an access fee on telecommunications. The fee is to be deposited into a telecommunications fund. He said the cost of telecommunications services varies across the state. The current account that finances the services, he said, expires in 2002. Vernae Hasbargen, with the Minnesota Rural Education Association, also spoke in support of the tax on telecommunications services. She said there will be major cuts in the telecommunications services in schools in 2003 unless the program is funded. Without the revenue raising plan, she said students will be penalized, and their districts will be forced to shut down lines and take resources from classrooms. She said if a gas tax will have a positive impact on the state, a telecommunications tax will have a positive impact also. Businesses, she said, need workers from all school districts in the state. Elaine Keefe, with the Minnesota Library Association, said the goal of the telecommunications fund is to provide a permanent and stable funding source for telecommunications services. She said the telecommunications network is necessary to help check out books, see what is available in libraries and to provide internet access—the "lifeblood" of the modern library, she said, to those who do not have it otherwise. She also said similar plans have been adopted by other states.

"We need state help to cope with these costs," she said. No action was taken on the measure.

More testimony given

Members of the Budget Reconciliation Conference Committee, chaired by Sen. Douglas Johnson (DFL-Tower) and Rep. Kevin Goodno (R-Moorhead), heard more public testimony regarding the different House and Senate proposals for dealing with the budget shortfall at their meeting Wed., Apr. 10.

Robert Tennesen, representing smokeless tobacco organizations, spoke in opposition to the tobacco tax increase in the Senate plan. The tax is regressive, he said, and falls hardest on low income citizens. He also said a tobacco tax will



From left, Senators Leo Foley (DFL-Coon Rapids), Chuck Fowler (DFL-Fairmont), John Marty (DFL-Roseville) and Kenric Scheevel (R-Preston) discuss legislation during a recent floor session.

Photo by David J. Oakes

bring retailers into competition with border states. He said he advocated a progressive tax, such as an increase in the income tax, instead. Tom Briant, from the Minnesota Wholesalers and Marketers Association and the Minnesota Tobacco Store Association, also opposed the tobacco tax increase. He said a cigarette tax is not a tax on cigarette manufacturers, but is a tax on consumers. Since only 20 percent of the population are smokers, he said, the tax falls disproportionately on one group of people.

"I believe the tax system should be based on fairness and equity," he said.

Briant also said if the tax is raised, those who choose to use tobacco products will look for less expensive alternatives—such as the Internet—to buy them. According to an article from Tobacco Outlet Business magazine, he said online tobacco sales in the United States will reach approximately \$5 billion per year in 2005. He said Internet sales will cost the states \$1.4 billion each year in lost tax revenue.

He also said that convenience store owners are concerned that if people go across the borders to buy cigarettes, they will also buy other products—costing them more business—in the process.

"They're concerned about the tax and what it's going to do to their business," he said.

Johnson asked if the state and federal governments have increased penalties for online tobacco sales. Rep. Ron Abrams (R-Minnetonka) said that the state hopes to be in a good position to enforce the sales by 2006. Sen. Lawrence Pogemiller (DFL-Mpls.) said the cigarette industry has raised their prices by at least \$1 per pack in the past few years.

He asked why the government can't raise the tax for the first time in at least a decade if the industry can raise their prices in just a few years. He also said he believes the black market issue for cigarettes is overplayed.

"I think the whole issue is not that big of a deal," he said.

Jerry Knickerbocker, from the Minnesota Telephone Association, spoke against the Senate plan to establish a telecommunications access tax and a telecommunications fund. Knickerbocker said many businesses will be forced to pay for the fund. He asked if placing an additional sales tax on one sector of the economy was good public policy. Telecommunications businesses, he said, should not be singled out for a "special" tax for programs previously financed through the general fund. He also said members should keep in mind that another bill is moving through the process that also adds a telecommunications fee. Combined, they represent a large increase, he said.

Dave Weirens, from the Association of Minnesota Counties, spoke regarding a House proposal to reduce funding in 2004-05 for recycling block grants to counties given through the Select Committee on Recycling and the Environment (SCORE). According to Weirens, such a

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maneuver will either reduce opportunities to recycle or force counties to raise taxes to continue recycling services.

Sen. Leonard Price (DFL-Woodbury) said counties may have to increase property taxes because of the House plan to reduce the recycling grants. He also said the original intent of SCORE was to promote recycling. The House plan, he said, interferes with that important goal.

"I don't think that the Senate position would be that this would be wise," he said.

Goodno said the state was able to get the SCORE program up and running. However, he asked at what point a user fee should be considered to continue with the program if people support it. Responding, Price said if garbage isn't recycled it must be put in a landfill. Also, he said reducing the funding is just a move done for the sake of convenience. That, he said, is not dealing with the problem of the ever increasing amount of garbage that is thrown out as the result of the way we live.

Scott Croonquist, from the Education Association of Metropolitan School Districts, testified regarding several issues in the Senate proposal. He said that he would prefer a portion of school funding not be delayed, which is a measure the Senate uses to trim \$312 million from the budget shortfall. However, he said he understood the reality of the situation and preferred that solution to education cuts. Croonquist also said he supported Senate proposals allowing schools to levy for school safety purposes, establishing an inflationary increase in education funding, creating a telecommunications fund and allowing half of the money set aside for staff development to be used for other purposes.

Minnesota Budget Project Director Nan Madden spoke regarding the impact of budget reconciliation on low income people. She said the project, an initiative of the Minnesota Council of Nonprofits, released a set of principles in January to guide fiscal decisions in response to the shortfall. The principles, she said, are that budget balancing should not make the recession worse for those least able to weather the downturn, and that a combination of reserves, revenue raising techniques and spending reductions should be used. She said the House position clearly violates those principles. The House, she said, makes deep cuts in safety net programs for the most vulnerable Minneso-

tans, including the disabled, children and welfare recipients.

"It clearly violates the principle that state budget balancing decisions should not increase the burden on vulnerable Minnesotans," she said.

However, Madden also spoke against the Senate plan to raise a majority of the needed revenue from the tobacco tax. This, she said, will hit low income taxpayers the hardest. She said possible alternatives would be to combine a smaller tobacco tax increase with an income tax surcharge or combining the increase with an expansion of one of the state's existing refundable tax credits to low income tax payers.

"We think the Senate's tax proposal could be improved, with closer attention being paid to tax fairness," she said.

Andrea Rau, from Minnesota Citizens Concerned for Life, testified in support of a House proposal—called the Taxpayers Protection Act—to no longer allow state funding for clinics that perform abortions. She asked if taxpayers should fund multi-million dollar industries that hurt women and children. Rau also spoke in favor of the "right to know" provision in the House proposal. The provision, she said, has strong support in Minnesota. She said 72 percent of Minnesotans support such a proposal according to a February poll. Rau said the right to know provision provides women with only unbiased and accurate information about an abortion before undergoing the procedure. She said it will ensure that women have clear access to information. It will not, she said, restrict access to abortions.

"Before they can do that they must know the facts," she said. "We feel this will truly empower women to make the best decision for themselves."

Johnson said he doesn't like to see state money go to organizations such as Planned Parenthood. However, he said for many low income women in rural Minnesota such organizations are their only access to health care and family planning information. He said they help prevent pregnancies—and abortions—as a result. There are, he said, no other alternatives for those women.

Goodno said the provision taking away the funding does not touch those receiving General Assistance Medical Care (GAMC) or MinnesotaCare assistance. Individuals receiving that assistance, he said, can still go to local doctors

at local clinics if they need to. Goodno also said the state does not fund regular doctors, but does provide this funding for one type of medical provider.

Minnesota Civil Liberties Union representative Sue Rockne testified in opposition to the House proposals. She said she is personally affronted by the Taxpayers Protection Act. She also said, regarding the right to know provision, that women already are provided with that information.

Senate makes offer

In an attempt to break the stalemate between the House and Senate, the Senate conferees at the Budget Reconciliation Conference Committee made an offer to deal with the \$439 million budget shortfall in 2002-03 at their meeting Thurs., Apr. 11. The meeting was chaired by Sen. Douglas Johnson (DFL-Tower) and Rep. Kevin Goodno (R-Moorhead).

Johnson said the offer, which came after several days of testimony and discussion, includes significant changes regarding items that Senate conferees believed House members would not support. The offer retains Senate proposals to eliminate the 2002-03 shortfall by converting from cash to bonds \$245 million in planned spending for transportation projects, delaying \$312.5 million in school payments and shifting \$36.9 million in human services programs. The offer also retains previous Senate plans to appropriate \$13.9 million for schools with cash flow problems and to include new spending in various state budgets.

New items in the offer include a \$908 million bonding bill—excluding transportation issues—that splits the difference between House and Senate proposals. New items also include \$5 million to reinstate reductions to the Department of Revenue—a change made after department representatives said the reductions would decrease their ability to take in additional revenue—and \$250,000 for the governor's residence. The Senate offer eliminates many of the tax provisions from the original proposal, but keeps the 60-cent cigarette tax and the requirement that Wisconsin residents working in Minnesota file a Minnesota income tax return. The Senate offer also keeps the telecommunications fund, but sunsets the measure in 2005. Major items still requiring discussion are the state employee contract language and the proposal to institute a moratorium on the

five-year limit to Minnesota Family Investment Program (MFIP) assistance. Johnson said the offer raises approximately \$220 million less in revenues than the original Senate proposal.

"This is what I would call a good faith proposal that does make some substantive changes," Johnson said. "We didn't just resurrect the Senate bill without changes."

While Goodno said the offer didn't go as far as he had hoped, he called the measure a "good step forward." However, the House, he said, still doesn't support either the tax increases or the MFIP assistance deadline moratorium.

"We're opposed to any tax increases," he said. "Don't get too wedded to the idea that you have to raise taxes to solve the problem."

Rep. Philip Krinkie (R-Shoreview) said he was pleased the Senate dropped several taxes from the original proposal. However, he said he thought the offer would include much less spending. The offer, he said, actually contains more spending than the original proposal.

"I'm a little shocked that the Senate comes in and wants to spend more money," he said.

Sen. Linda Berglin (DFL-Mpls.) discussed the Senate proposal for job reductions in state operated services. The Senate, she said, does not want to apply the hiring freeze in that area. She said the Senate proposes a reduction, but not nearly as much as the House proposes. She asked how the reductions proposed by the House could be accomplished without closing regional treatment centers.

Responding, Goodno said exempting agencies from reductions will place a disproportionate impact on other agencies. He asked which department should receive more cuts to make up for the fewer state operated service reductions.

"We have to look at the whole picture when we talk about shifting these things," he said.

Berglin said that area of government is sent people by the court system. The state is obliged to take care of them, she said. Krinkie said representatives from the Departments of Revenue and Corrections and state operated services have all testified regarding how reductions will negatively affect them. He asked if every department will have similar testimony.

Regarding the state operated services exemption, Johnson said the state is required to take care of individuals

committed by the courts. Regarding the additional funds for the Revenue Department, he said it is like a business buying a new set of tools in order to make more money. He also said, about restoring funds to the corrections budget, that prisons need to be kept safe.

"We want to play it safe and you should want to play it safe," he said.

"Sometimes that costs a little money."

Krinkie said a detailed analysis from the Department of Revenue regarding the effects of reductions to the department has been asked for. There is no guarantee, he said, that the money the department says it won't be able to obtain in the coming years will actually be available. He also said the Senate plan restores too many of the reductions that were made in phase one of the budget reconciliation plan.

"We all know that by exempting certain agencies, the reductions agreed to in phase one will fall disproportionately on other agencies," he said.

Krinkie also said state spending had increased tremendously over the last four years. During the last session, he said, there was a 15 percent increase in spending. He asked if the proposed anti-terrorism bill will include tax increases on telephone bills—an issue being discussed in a different conference committee. He also asked if the Senate would be willing to use any of the tobacco endowment money instead.

"I find it very difficult to believe that we say we need to raise taxes when we left here last June increasing spending by 15 percent," he said. "If we could just reduce the amount of the increase that we gave last June we would be there."

Johnson said he would rather avoid using the tobacco endowment, but added that everything in the budget should be looked at. He also said the Senate rejects many of the cuts the House makes in their proposal, especially to programs in the human services area. Berglin said Legislators didn't understand the cumulative affects of many of the reductions made in phase one of the budget plan. Now that the effects are known, she said, it is time to change them.

"I just think we need to be a little careful in this area," she said.

Sen. Dick Day (R-Owatonna) asked why the tobacco endowment isn't used to reduce the shortfall and a tobacco tax implemented for three or four years to build the endowment back up. This, he said, takes care of both issues.

"Why aren't we doing it the way that takes care of everything?" he asked.

Sen. Lawrence Pogemiller (DFL-Mpls.) discussed the House proposal to increase funding for Adult Basic Education (ABE) by 5 percent more than the previous biennium. The Senate proposes an 8 percent increase. He passed out a worksheet that shows the growth rates of the top 20 programs in the state. Several programs had no—or minimal—projected growth and others projected growth between 5 and 8 percent. Others, though, had projected growth rates of between 10 and 40 percent and had waiting lists for services. The highest growth rates were in rural and suburban areas.

"I think the 5 percent is clearly inadequate," he said.

Offers debated

Members of the conference committee on H.F. 3270, the omnibus budget reconciliation bill, met Fri., Apr. 12, to consider two offers—one from each body. While neither offer was accepted, members of the committee said the proposals represented steps forward from each side.

The House presented its offer, a response to an offer from the Senate made the previous day. The House proposal for the current biennium shifts \$347 million from the Tobacco Prevention Endowment, cuts over \$82 million from state spending and appropriates \$22 million for anti-terrorism efforts. The proposal also includes \$3.14 million in debt service costs during FY 02-03 and accepts a Department of Human Services program shift of almost \$37 million proposed by the Senate.

Rep. Philip Krinkie (R-Shoreview) said the conferees have heard a lot of discussion about the impacts to state agencies and departments from a hiring freeze and contract moratorium imposed by the first phase of budget reconciliation. The previous House position had been to seek further savings from an expansion of the freeze and moratorium. However, Krinkie said, the new House proposal receded from the expansion and instead allows agencies to achieve savings already required by the phase one bill by accessing special funds available to the agencies. Sen. Douglas Johnson (DFL-Tower) said allowing agencies to make what would normally be general fund expenditures from special funds is opening a dangerous door in state spending. Krinkie said that if

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conferees have concerns about misuse of money in certain special funds, then those funds to be excluded from the language should be listed.

Johnson said the Senate's position is that the moratorium should be repealed. The departments, if they choose to renew contracts, will have to reduce their budgets by an equal amount to achieve savings, he said.

Addressing tax provisions in the proposal, Rep. Ron Abrams (R-Minnetonka) said that if the state does nothing in response to federal tax law changes, 16 additional lines will be required on Minnesota tax forms. To save costs, he said, the proposal states that the state will not conform with the most expensive of the federal changes. He said the proposal also includes language to repeal the so-called "bread tax."

Sen. Linda Berglin (DFL-Mpls.) said the House proposal is deceptive because it uses a one-time funding source, the corpus of the tobacco endowment, to fund ongoing expenditures such as anti-terrorism efforts. Rep. Kevin Goodno (DFL-Mpls.) said the anti-terrorism program requires a heavy infusion of state money as one-time startup costs, while expected federal dollars will pay for its ongoing costs. "We're not saying we'll fund it for one year and then forget about it," he said. Goodno also said that the House proposal includes funding an 800-megahertz radio system for public safety officials in the bonding bill.

Johnson said the House proposal does not replenish budget reserves as much as the Senate. Both plans provide for \$155 million in the state's cash flow account, but the House proposal leaves about \$2 million in the budget reserve while the Senate replenishes the reserve account to a level of \$410 million, Johnson said. "I suppose most Minnesota taxpayers don't lose a lot of sleep about Minnesota's credit rating, but the level of budget reserves could impact that credit rating," he said. Johnson asked Finance Commissioner Pamela Wheelock why Minnesotans and Legislators should pay attention to the state's credit rating.

The credit rating directly impacts the cost of state borrowing, Wheelock said, which means the credit rating can determine the cumulative cost over time of debt issuance. If debt costs more to issue, she said, then a lower credit rating has represented an opportunity cost in either

tax cuts or additional spending not enacted. Wheelock said the level of budget reserves, besides affecting the credit rating, also represents how prepared the state is for an economic downturn. The more unstable the state's finances, she said, the greater the impact of a downturn on units of government.

Senate Director of Fiscal Policy and Analysis Mark Misukanis said the state also constructed a credit enhancement program for local school districts a few years ago. The program allows local districts to borrow money using the state's credit rating, he said. So far as the state rating drops, the increased cost of borrowing is also passed on to local districts, Misukanis said. Wheelock said the program will then be less attractive to districts, because the costs of borrowing will have come closer together.

Krinkie said one approach is to have a smaller bonding bill this year, thereby reducing the amount needed for debt service payments. However, Wheelock said the difference between the bonding proposals is too small. The debt service costs on either bill, she said, will pale in comparison to the other budget problems. "I think, frankly, the problems are much bigger than that," she said.

Before taking a brief midday recess, conferees also discussed health and human services provisions in the House proposal and an issue raised by Johnson that he called "hidden taxes." Johnson pointed to articles in Metropolitan Area newspapers highlighting fee increases for athletics and extracurricular activities in the Mounds View School District, which is facing a budget shortfall. "It seems to me that these fees are taxes," Johnson said. Legislators may be voting against general fund tax increases or a gas tax increase, he said, but they are forcing hidden taxes and fees to be raised at other levels to maintain services. "We're going from quality schools to less-than-quality schools," Johnson said. The truth is, he said, if there is no tax increase this year, there will either be a larger tax increase next year or more severe cuts to education and the most vulnerable individuals in the state.

Krinkie said voters in the Mounds View district voted down an excess levy referendum last year. "We all make choices," he said. Students and their families will have to choose how important activities are compared to the fees for participation. Sen. Leonard Price (DFL-

Woodbury) said the Mounds View district, and many others, have reduced bus service for students as well. "The least we can do is provide children with a safe way to get to school," he said.

After a recess, members of the conference committee returned to consider a Senate offer. The offer consisted of four amendments to the Senate's previous offer. The new offer delays the June sales tax acceleration buyback until FY 06 and puts the savings, about \$137 million, in the budget reserve. The proposal also transfers excess dollars from the consolidated chemical dependency treatment fund to the general fund to cover a hiring freeze exemption for the Department of Corrections. Money is also transferred from the workers compensation special fund, in the proposal, to provide an additional \$50.8 million for the budget reserve and \$1.2 million for the hiring freeze exemption for the Dept. of Corrections. The proposal also reduces spending, previously proposed by the Senate, for a contract exemption for the Higher Education Services Office by \$3 million through FY 05. Under the offer, the budget reserve will stand at almost \$600 million by June 30, 2005.

Two offers made

Republicans from both the House and the Senate made offers to end the impasse over ways to eliminate the \$439 million shortfall in the state's 2002-03 budget. The committee, chaired by Sen. Douglas Johnson (DFL-Tower) and Rep. Kevin Goodno (R-Moorhead), met Tues., Apr. 16.

Representing the Senate's Republican caucus, Sen. Dick Day (R-Owatonna) presented what he called an easy to understand plan to eliminate the budget shortfall. The measure saves \$449.4 million by delaying payments of \$312.5 million to school districts, permanently transferring \$100 million from the tobacco endowment fund to the general fund and shifting \$36.9 million of human services funds. The proposal also keeps the \$908 million bonding bill that was included in the Senate's first compromise offer at a previous meeting. The school payment and human services pieces are part of the Senate's original proposal. The tobacco endowment piece is similar to the original House proposal which called for a transfer of \$325 million from the endowment.

The proposal diverges from the original Senate plan by leaving the \$155 million cash flow account in place, not



From left, Senators Keith Langseth (DFL-Glyndon), Charles Berg (R-Chokio), Jim Vickerman (DFL-Tracy) and Dan Stevens (R-Mora) gather in the back of the Senate Chamber during a recent floor session.

Photo by David J. Oakes

converting \$245 million for transportation improvements from cash to bonds and leaving the \$52 million workers compensation special fund intact. The plan also restores the shortfall with approximately

\$600,000 to spare. The plan deals only with the FY 2002-03 biennium and does not affect FY 2004-05. Unlike the original Senate proposal, the plan does not build up a new budget reserve.

“Everyone in the Senate Republican caucus is on board with this proposal; it solves our problem and it does so in a way that is fair to everyone,” Day said. “I think that it is workable and I think that it is something that everyone should agree to.”

Johnson said the proposal included “some good suggestions” and was a good attempt to find the middle ground. Nevertheless, he said he was concerned about permanently reducing the tobacco endowment, not planning for any debt service for bonding in fiscal year 2004-05 and not restoring the budget reserve. The majority of the Senate DFL caucus, he said, thinks there should be some amount of budget reserve, especially in the current economic climate.

“There’s still a lot of uncertainty,” he said.

However, Johnson said Day’s plan to not convert the \$245 million of transportation to bonds may be workable. He said he may be amenable to the plan if a permanent revenue stream for transportation can be found

“That would be my only reservation,” he said.

Day said a high majority of the Republican caucus would possibly support a gas tax. A gas tax, he said, is used for good transportation purposes. Most, however, oppose a tobacco tax increase that is used to balance the budget.

Rep. Thomas Pugh (DFL-St. Paul) said the House DFL caucus had similar concerns to Johnson’s regarding the permanent tobacco endowment reduction. He said there is some support for a gas tax increase, and there would be more if items such as the North Star Corridor are involved. Pugh also asked about the budget reserves. He asked what Day’s plan does to the “rainy day fund.”

Day said his plan leaves the reserves at zero. However, he said the state has a large amount of reserve available for use in the form of the tobacco endowments.

“We have \$1.3 billion that we could actually write out a check for today—as of today it’s sitting there,” he said. “When somebody says we don’t have any reserves that’s totally not accurate.”

Goodno also offered a new proposal from the House. The new offer, the second from the House after their original plan, accepts part of the original Senate proposal to delay 13 percent of payments to schools. The Senate proposes to delay 15 percent of the payments. The House offer

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also includes an original Senate provision to apply up to \$13.9 million for cash flow problems—as the result of the delay—to schools. The new House proposal saves approximately \$187 million this way.

The offer retains the elements of the first House compromise offer, such as restoring \$1.8 million for local collaboratives on children's mental health, raising in-patient limits from \$10,000 to \$30,000 for MinnesotaCare patients whose income is above 100 percent of poverty and restoring \$2 million in cuts to state operated services. The offer still provides no extension to the limit of Minnesota Family Investment Program (MFIP) assistance and no 9-1-1 fee increases.

Johnson noted the offer had no plan to fund the telecommunications account. The account finances telecommunications services in schools and libraries and is funded through an access fee in the Senate proposal.

"I would think that a number of rural members would not want to see that program abandoned," he said.

Goodno said he does not favor a new tax. However, he said he was willing to discuss methods to fund the program without a tax. He said any solution that includes a new tax would more than likely not gain enough support in the House to override a possible gubernatorial veto.

"We will not get 90 votes if it includes tax increases," he said. "That's the reality I'm looking at on the House side."

Johnson also discussed a property tax measure passed during the previous session. The measure, he said, was billed as a boon for taxpayers. However, he said many Minnesotans actually paid higher property taxes as a result of the legislation. He said 43.5 percent of St. Louis County residents are paying higher property taxes in 2002 and 2003. Many people, he said, were "stiffed" by the measure.

Sen. Lawrence Pogemiller (DFL-Mpls.) displayed maps of Hennepin County and the city of Minneapolis that showed areas of property tax increase and decrease as a result of the legislation. The maps, he said, show the more affluent areas of both Hennepin County and Minneapolis received property tax decreases, while low income areas received tax increases.

"This is why there was concern over the bill," he said.

Responding, Rep. Ron Abrams (R-Minnetonka) said cities such as Minneapolis and Richfield increased their levies

during the previous year. In a time of just over 2 percent inflation, the Minneapolis levy, he said, increased 6.7 percent and the Richfield levy increased 10 percent. There should be no complaining about tax increases, he said, when local governments decide to increase spending. Pogemiller said the fact that cities increased their levies doesn't matter. No matter the amount of the local levy, he said, what matters is that the wealthy received tax decreases and the poor received tax increases.

"That's the bottom line," he said.

Regarding the Senate plan to restore the budget reserves, Goodno asked what is the purpose of the reserves if they can't be used. Why have it, he asked, if the Senate insists on replenishing it. Johnson said having the reserve during a time of budget shortfall made it easier to deal with the shortfall. Noting the House plan to use the tobacco endowment to help eliminate the shortfall, Pogemiller said that 76 percent of the tobacco money is already in the general fund. The state, he said, already uses the money for areas other than reducing the use of tobacco. Rep. Alice Seagren (R-Bloomington) said Minnesota didn't even have a budget reserve until the early 1990s. At that point, she said, the reserve was built slowly, and not all at once. She said it should be rebuilt now in the same manner. It is just as important for bond rating purposes, she said, to be able to show that the state is building a new reserve, as it is to rebuild it all at once.

Johnson said the House proposal still contains unacceptable cuts for programs affecting the most vulnerable Minnesotans. There is no way, he said, that 45 Senators—the number needed to override a governor's veto—will vote for the "mean and cruel" cuts in the House plan.

Rep. Philip Krinkie (R-Shoreview) said the proposed 9 percent pay increase for thousands of state employees should be discussed if there is such great concern over certain reductions in the House proposal. Goodno said the House plan does not cut programs such as those affecting children or individuals with disabilities. The most vulnerable people in the state, he said, are taken care of, and will continue to be taken care of.

"I really think we have taken care of most vulnerable people," he said.

Goodno also responded to the Senate proposal to establish a moratorium on the time limit to receive MFIP assistance.

There is no way, he said, that 90 representatives will vote for such a proposal.

"That is one issue that just won't fly in the House," he said.

Sen. Linda Berglin (DFL-Mpls.) said the federal government allows up to 20 percent of the caseload to be exempt from the assistance time limit. Currently, she said the state is nowhere near the limit. Berglin also said Legislators were not aware last year of the number of people who would be affected by what happened this year in September. Goodno said the assistance extension is being proposed after people have been receiving MFIP assistance for 5 years. No action was taken on either offer.

MFIP limit moratorium debated

Members on the Senate side of the Budget Reconciliation Conference Committee, chaired by Sen. Douglas Johnson (DFL-Tower) and Rep. Kevin Goodno (R-Moorhead), introduced a new proposal in an attempt to end the deadlock over the handling of the budget shortfall at their meeting Wed., Apr. 17.

The new offer, presented by Johnson, retains much of the previous Senate offer. The measure puts in place a tobacco tax only until the budget reserve reaches \$500 million and the education reserve account reaches \$153 million. The tax, to be established Jan. 1, 2003, is estimated to be needed only through August 2004.

Johnson said it could blink off sooner if the economy performs better than expected. The new proposal also establishes a moratorium on the limit for the Minnesota Family Investment Program (MFIP) assistance for 18 months instead of the original Senate proposal establishing the moratorium until July 2004. The offer uses the Senate language on state employee contracts and includes \$934,000 more in health, human services and corrections spending.

"We wanted to at least offer the concept—that we did use in the past—of blinking on a tax and blinking off a tax based on reaching certain targets," Johnson said.

Johnson said one of the key differences between the Senate and the House continues to be funding for higher education. The Senate provides additional appropriations for higher education in their plan, while the House provides none beyond the original appropriations. Both bodies, Johnson said, agreed to cut higher

education funding in phase one of the budget reconciliation process. Later, though, he said new information drove the Senate to provide additional funding to make up for some of the reduction. He said the budget should not be balanced on the backs of students.

"We haven't seen any proposal from the House to this point on higher education or K-12," he said.

Goodno, however, said there are other major obstacles preventing the sides from striking a deal. One of those obstacles, he said, is the moratorium on the limit for MFIP assistance. The moratorium, he said, is a huge change in Minnesota's welfare program.

"It's undoing what we did in 1997 [with welfare reform]," he said.

Sen. Linda Berglin (DFL-Mpls.) said the moratorium is meant to help those who have been ravaged by the economic slide. It is simply, she said, a short term adjustment in an effort to respond to the recession.

"It's not a major change; it's simply a small adjustment in taking care of some people who may have been working 59 out of 60 months," she said. "We need to have some compassion in our hearts for those people."

Goodno said people who stand to lose their MFIP assistance have been receiving it for 5 years. He said those who lose their MFIP assistance can still receive other types of assistance, such as food stamps, MinnesotaCare, basic sliding fee child care, emergency assistance and earned income tax credits. He said there are already 17 exemptions to the 5-year limit for MFIP assistance. These exemptions include extensions worked out in the 2001 legislative session for the hard-to-employ and those who are ill or incapacitated.

"We're not interested in revisiting this issue again," he said. "We already have a compromise on the books."

Responding, Berglin said the Senate position on the matter has moved toward the House by establishing an 18-month moratorium. She also said that when the compromises in 2001 were made, Legislators didn't know people would be losing their jobs and their hours. The Legislature must revisit the issue, she said, in order to take changes to the economy into account. Johnson asked why the House makes changes to general assistance (GA) and certain health care programs. Goodno said the programs should be viable and

streamlined. He also said House members heard testimony saying that certain assistance programs are beneficial in helping people get a lift while they need help. That is why he said, the House has a provision allowing GA for only 6 out of every 24 months. The House, he said, is trying to make sure that permanent assistance is provided to those who need it.

Goodno also said that the House remains opposed to tax increases. He said the Senate proposals so far didn't seem to be taking enough steps toward compromise with the House. A temporary tax, he said, does not represent major movement. He said the House has moved between \$200 million and \$250 million closer—by his calculations—while the Senate compromise included over \$900,000 more in new spending. He also said the House has compromised the K-12 delay in school payments and has reduced the number of cuts in their proposal too. Rather than compromise, he said, the Senate keeps moving away from the House's position.

"I don't see that as a substantial move," he said. "[The Senate offer] didn't make much movement from our perspective."

Johnson said he disagreed with Goodno's assessment of the new Senate proposal. It is major movement, he said, to blink the tax on and off again. Johnson said that the Senate has reduced \$360 million in revenue and \$90 million in spending—mostly in the 2004-05 biennium—from its original proposal. Johnson also said the Senate wants to make sure there is a safety net for the most vulnerable people in society. By opposing any tax increase, Sen. Leonard Price (DFL-Woodbury) said the House is in a state of denial.

"You aren't facing up to the reality of the issue," he said. "I am just so frustrated that you sit here and unequivocally say you aren't going to do this."

Goodno said it is difficult to make decisions regarding the budget while the other conference committees are still working. He said the results of the committees dealing with the gas tax and transportation, funding for the anti-terrorism bill and the bonding bill, have a great impact on the decisions of the budget committee. Over \$250 million between the House and Senate, he said, is contingent on what happens in other committees. Goodno also said since the Senate has stated that its position on not converting the \$245

million of transportation money to bonds is contingent on what happens in the transportation conference committee, the House holds that position too.

"They're all doing work that directly impact our budget," he said.

Goodno also said the committee was not making progress. He said he doesn't want to shut down the lines of communication, but the decisions will be easier to make once the committee knows what the size of the budget "pie." It may be better, he said, to wait and see what happens in the other conference committees.

"I'm just curious as to how much we can accomplish," he said. "Maybe it's just better if we cool it for a while." No action was taken on the Senate proposal.

Omnibus jobs bill

Bills contrasted

During the first meeting of the Conference Committee on S.F. 3431, the omnibus jobs bill, Tues., Apr. 16, members read through and compared the House and Senate versions of the bill.

One of the major differences the group examined is the eligibility of certain workers for extended unemployment benefits. The Senate version provides an additional 26 weeks of benefits minus the federal benefits to which a worker is entitled, for workers in airline and related industries and former employees of Fingerhut, Farmland Foods, Potlatch, Harsco and SPX-DeZurich. Temporary extended benefits are also given to workers who do not qualify for benefits under the federal extended unemployment act or do not receive the maximum amount of benefits under the federal program due to its expiration.

The House bill, on the other hand, grants 13 weeks of extended unemployment benefits minus the federal extension to airline workers and 26 weeks of benefits, minus the additional federal payments, to Farmland Foods workers. Other workers are covered by a general provision for employees whose employer lays off over 500 workers in counties with higher-than-average unemployment rates.

Rep. Dan McElroy (R-Burnsville), committee co-chair, said the House weighed both the needs of workers and the need to keep businesses taxes, which pay for unemployment benefits, at levels competitive with other states. He said in the past 75 years, no unemployment

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benefit extensions have been given to workers in areas with average or less-than-average unemployment.

Sen. Ellen Anderson (DFL-St. Paul), committee co-chair, said Minnesota should not try to lower its standards just to remain competitive. "We cannot enter into a bidding war with other states and other countries," she said.

"We can't allow child labor in factories just because China does." She also said that employees who are laid off by small businesses and in the Metro Area, who are eligible for extra benefits under the House plan, are equally deserving of assistance. "Workers in these places say, 'I'm just as laid off as anybody else,'" she said.

The Senate bill also increases certain businesses taxes, which the House does not. Under the Senate version, the assessment on employers for the workforce development fund increases 0.3 percent and the wage base on which the assessment is made is changed from 60 to 70 percent of the state's average annual wage. The Senate also raises the unemployment insurance base tax rate to 0.38 for 2003.

Both bodies' bills require the Unemployment Insurance Advisory Council to prepare reports on the long-term solvency of the unemployment insurance program.

The Senate bill also mandates a study of ergonomics standards and the development of ergonomic guidelines by the Dept. of Labor and Industry.

The House bill requires political subdivisions of the state to consult with the Dept. of Trade and Economic Development (DTED) before making capital requests and obtain information about existing buildings that could serve the same function as the proposed new construction. A similar bill, authored by Sen. Arlene Lesewski (R-Marshall), was heard by the Senate but did not make it into the omnibus bill.

The House and Senate agreed to exclude House provisions relating to the duties of the commissioner of DTED. The House measure specifies that the commissioner of the Dept. of Trade and Economic Development may delegate his or her responsibility to attend meetings of the



Six-year-old Tenzin Leyizam awaits the start of a bike ride from in front of the Capitol Wed., Apr. 17 as part of an appeal by Tibetan Americans for the release of Tibetan religious leader the Panchen Lama, who has been held in custody by the Chinese government for the past seven years.

Photo by Shelley Hawes

Environmental Quality Board. The bill also removes DTED from the Housing Finance Agency. McElroy said the provisions are no longer needed because they were a response to a failed Senate proposal to consolidate various departments dealing with workforce development, including DTED, into a single organization.

Ergonomics debated

The members of the Conference Committee on S.F. 3431, the omnibus jobs bill, came together Wed., Apr. 17, to discuss dissimilarities between the House and Senate provisions on ergonomics, unemployment for airline workers, benefit calculations and background check fees.

The Senate measure contains provisions that require the Dept. of Labor and Industry (DOLI) to create ergonomics standards for workplaces. Sen. Julie Sabo (DFL-Mpls.), the author of the ergonomics bill that was amended into the Senate omnibus jobs bill, said, "Ergonomics are good for workers, so they're good for business." She said the standards developed by DOLI do not carry penalties. She said businesses can already be cited for violations of workplace safety and the clarification of workplace standards will lessen the ambiguity for employers trying to make their businesses safe for workers.

Sen. Ellen Anderson (DFL-St. Paul), committee co-chair, said DOLI had already put together a working group to come up with ergonomics standards by 2004. The Senate bill mandates the standards to be written a year sooner.

Lucena Slaten, a health safety representative from the International Association of Machinists, said repetitive stress disorders, such as carpal tunnel syndrome, account for over 40 percent of workers compensation claims in Minnesota. She said businesses that make safe working environments benefit from fewer claims and lower insurance rates.

Rep. Gregory Davids (R-Preston) asked how much the standards will cost businesses. Sabo said the standards will likely lower costs for businesses by increasing worker efficiency, reducing injuries and lowering workers compensation claims. She said the bill specifically states that businesses take precautions when it is economically feasible to do so. The measure, she said, gives employers guidelines without telling them exactly how to achieve them, giving businesses flexibility.

Rep. Bob Gunther (R-Fairmont) said employers do not need the state to tell them to make workplaces safe because they are already under pressure from insurance companies to create healthful work environments.

Beth Hargarten from the Dept. of Labor and Industry said the standards will likely lower the administrative costs, by setting regular guidelines for all workplaces. She said currently the department must determine standards for each individual employer on a case-by-case basis.

Several individuals from the airline industry came to speak in favor of extended unemployment benefits for laid-off airline workers.

"The events of Sept. 11 have had a massive impact on the airline industry as a whole. People can't just move to another town and get another airline job," said Sen. David Johnson (DFL-Bloomington), the author of the original Senate extended unemployment for airline workers measure.

Jim Atkinson, from the Airline Mechanics Fraternal Association, said 400 mechanics have been laid off. He said many mechanic jobs require different kinds of licensing and re-training. Laid-off airline mechanics cannot get jobs at McDonald's to help them through until they get retrained, he said, because they will lose their unemployment benefits and the training provided through the dislocated workers program.

Rep. Dan McElroy (R-Burnsville) said, "If we grant extension of unemployment benefits to workers in the Metro Area, it will be the first time we have done it in 75 years. We will be the only state in the Union doing it." The House provision limits extended unemployment benefits to workers in areas with higher-than-average unemployment. Airline workers, under the House measure, receive an additional 13 weeks of extended unemployment, minus the extended federal benefits, which can be up to 13 weeks.

The Senate version also changes the formula for worker's eligibility for unemployment benefits to take into account some persons who currently do not work enough to qualify. Brad Lehto, from the AFL-CIO, said the changes will help low wage workers and welfare-to-work participants.

Lee Nelson from the Dept. of Human Security said 1.5 percent of applicants, or 2,098 people, who were denied unemploy-

ment benefits last year, would have been made eligible under the Senate language.

The Senate measure also prohibits employers from charging prospective employees for criminal background checks and necessary training. Hargarten said the bill is recommended by the Department to prevent employers from charging several applicants for background checks and making a profit from the scheme. She said currently the department gets about one complaint per month from people who feel they have been unfairly charged for background checks.

Jack Horner, from the Minnesota Multi-Housing Association, said the provision is an unfunded mandate on landlords, who are required by law to run checks on employees. He said landlords will likely pass the cost onto renters, increasing the price of housing.

Sen. Linda Higgins (DFL-Mpls.), author of the original background check bill, which was amended into the Senate omnibus bill, said the bill protects workers and will have a minimal effect on housing prices.

Stadium

Stadium players testify

The second meeting of the Stadium Conference Committee, chaired by Sen. Dean Johnson (DFL-Willmar) and Rep. Harry Mares (R-White Bear Lake), convened Fri., Apr. 5, to hear testimony from several interested parties.

Hennepin County Commissioner Mike Opat said the county wishes to partner with the city of Minneapolis to keep the Twins in the area. "The Twins have been in Hennepin County for the past 40 years, and it should stay that way," Opat said. "One-third of the jobs in the state are in Hennepin County, and two-thirds of Metro Area residents live west of the Mississippi. It is good public policy for the county to be in this stadium debate. This is a clutch situation, and Hennepin County is a clutch player."

Opat said the bill needs to be modified to allow the county to serve as a host community and allow for a county-wide referendum on local taxes, but that overall, the governor's proposal is fair. Opat stressed that the Twins ownership must pay a responsible portion of the stadium construction costs, but he also said that the bill needs flexibility to allow negotiation between the owners and the

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host community about what that contribution will be.

Minneapolis Mayor R.T. Rybak said the city's bid to host the stadium is unique because of the strong partnership between the largest city and county in the state. Because the House bill currently excludes Hennepin County from participation as a host community, Rybak said the proposal limits options that could be available. Rybak mentioned the proposed site in the heart of the city's entertainment district, the unique revenues available at the location, and the extensive planning the city has done as strengths of the Minneapolis bid. "No other community has done as much work as we have," Rybak said.

However, Rybak said he would not get into a bidding war to get the stadium. "As public officials, we need to hang together because there is a limit on how much should be spent on this project." And Rybak said that if the Legislature prevented the participation of Hennepin County, Minneapolis would not pursue the stadium.

To pay the host community share of the debt service, Opat said the city-county partnership would focus on user fees to generate revenues. Opat mentioned a rental car surcharge, a one percent local lodging tax, and as a last resort, a one percent food and beverage tax in the downtown area. Rybak added dedicated revenues from parking ramps surrounding the proposed site can also be used.

When Mares asked if there was any difficulty getting the city council to support a resolution in favor of the stadium proposal, Rybak said that any confusion was caused by the variety of proposals that have been put forth, and that the council has released a detailed letter in support of the current plan.

Sen. Steve Kelley (DFL-Hopkins) said he was concerned about the risks involved with the House and governor's proposal. "I want an indication that this is a robust deal instead of one that hangs on string, based on assumptions that may turn out not to be true," Kelley said.

Sam Grabarski from the Minneapolis Downtown Council said his board unanimously supports the city's stadium bid and small localized taxes on hotels and food and beverages in the central district.

Mayor Grace Arbogast and City Manager Curt Boganey testified on behalf of a proposed stadium on a 200-acre site in Brooklyn Park. Boganey said that the

Brooklyn Park site is ideal because necessary infrastructure is already in place, the open land is conducive for tailgating, and the site is part of a comprehensive development plan. Boganey said the stadium site will include retail, a hotel and restaurants. Boganey estimated the city could raise \$16 million annually for debt service via a combination of parking revenue, seat licensing, admissions tax, 5 percent local tax on hotels, liquor, restaurants and car rentals.

"We want the Twins in St. Paul," said Mayor Randy Kelly, "But first and foremost, we want the Twins in Minnesota."

Kelly said there were several items that were essential to a successful package included flexibility in the gift to the state, team responsibility for cost overruns, and the option to eliminate the local tax if the tax amount exceeds the need of debt service.

"The key word is flexibility," Kelly said. "We need to be able to work with the current and new owners of the Twins." When asked about the recent failed St. Paul .5 percent sales tax referendum to fund an earlier stadium proposal, Kelly said, "Attitudes have changed."

Metropolitan Sports Facilities Commission representative Kathryn Roberts said while the commission supports a new baseball park, they were "distressed" about the provision that requires a \$15 million withdrawal from the commission's reserve funds. Robert said the commission has no way of replenishing the funds, which are used for repairs and maintenance. The commission needs the funds for several reasons, said Roberts, including the safety of fans and athletes, security, general operations, and other events. "If the reserves are used in this manner, the commission will probably be precluded from bidding on events like basketball's Final Four in the future," Roberts said. She also expressed concern that a low reserve balance would threaten use agreements because teams could consider the commission in default and break their leases.

Mike Kelly of the Minnesota Vikings said the team strongly supports a new baseball park, but added the Vikings need assistance as well. Kelly said quick action is needed if the Vikings will be able to benefit from the NFL sponsored "G3" loan program, in which teams can get \$50 million toward a new stadium. The programs end next March, Kelly said.

Dean Yanisch from Dain Rauscher presented the financial particulars of the shared Vikings/University of Minnesota Gophers \$500 million stadium proposal. Yanisch said the proposal uses an arbitrage system similar to the baseball proposal, where the Vikings/NFL deposit \$151.5 million in an investment account that will gain interest and partially pay the debt service on a combination of \$151.5 million in taxable bonds and \$251 million of tax-exempt bonds. The remaining portion of the debt service will be paid by user fees and local taxes, Yanisch said.

Twins President Jerry Bell said that the only way the proposed \$165 million in up-front costs can be met is if the team partners with the host community. Bell said documents that outline the team's proposed commitment level are forthcoming. When asked if he could get a letter from Major League Baseball (MLB) Commissioner Bud Selig that stated the Twins would not be contracted if a stadium deal is reached, Bell said it was a "reasonable request."

Rep. Bob Milbert (DFL-South St. Paul) said that Legislators are looking for some kind of evidence from the team that the stadium deal can be structured differently from the House language and still be able to sell marketable bonds to finance the project. "The issue is security," he said. Kelley added that Legislators need to have some sense that the team's contribution with respect to taxpayers is fair. Kelley said there can't be too much reliance on local government.

Regarding a provision in the House bill that requires baseball reform, Mares asked Bell about the chances of legitimate reform in MLB. Bell said the owners are committed to economic reform, but due to collective bargaining, reform can't be achieved unilaterally without the players. "An amendment like that would make all efforts useless," Bell said.

Rep. Ron Abrams (R-Minnetonka) said a critical issue is protection for the public by assuring that a baseball team will remain in the area for the next 30 years. "I'm putting it on record that without some guarantees, the deal isn't going to get done," Abrams said. "It's the cost of doing business in Minnesota. We don't wish to be in a state of perpetual renegotiation."

Department of Finance Analyst Peter Sausen described several funding alternatives that altered the bond interest rates, initial team contribution to gift fund

balance, and annual contributions to make debt service payments. Sausen described two scenarios in which the Twins contributed \$50 million to the gift fund. In one example, the annual supplemental debt service contribution is \$23 million, compared to \$10 million in the House bill. The other example indexed the supplemental contribution, said Sausen, which rises from \$18 million to \$36 million over the 30 year life of the bonds. Sausen pointed out that if the Twins contribute \$50 million to the gift fund and are not responsible for the supplemental payments, they will only contribute 5 percent of the total construction and debt service costs of the stadium.

Department of Finance Commissioner Pam Wheelock said the governor doesn't believe it is the state's role to protect private owners from risks found in industry. She said the governor has indicated that half of the construction costs for the stadium should come from the team; any less creates more risk that payments will not be made. Wheelock said these risks associated with a lower down payment can be addressed, as long as the state is not forced to bear the burden. The governor does not support the use of the Metropolitan Sports Facilities Commission reserve funds as seed money for the new stadium, she said, nor does he believe the state has a role in the site selection process. The purpose of the governor's plan, Wheelock said, was to allow the discussion about stadium funding to continue without putting the burden on state taxpayers.

Transportation funding

Bills introduced

Chairs Sen. Dean Johnson (DFL-Willmar) and Rep. William Kuisle (R-Rochester) convened the Transportation Budget Conference Committee Thurs., Apr. 4, for a side-by-side comparison of the House and Senate proposals.

House Legislative Analyst John Williams presented the House proposal on S.F. 3364, which primarily authorizes \$750 million in trunk highway bonds over 5 years. According to the bill, the amount of funds that can be encumbered each year is limited to \$150 million in FY 2003 and 2005, \$50 million in FY 2004, and \$200 million in FY 2006 and 2007. Williams said the funds will be appropriated according to a formula in FY 2003 of one-third for at-risk interregional corridors,

one-third for Metro-Area bottlenecks, and one-third for safety and capacity improvements. In FY 2004 and beyond, he said, 47.5 percent of the funds will be distributed to at-risk interregional corridors, 47.5 percent to metro-area bottlenecks, and 5 percent for transit advantages. Williams said that like a similar provision in the Senate bill, the House allows an exemption from the moratorium on consultant contracts paid from the trunk highway fund.

Senate Legislative Analyst Amy Vennewitz described the more extensive Senate package, which provides \$5 billion in funding for road and transit projects over the next 10 years. The Senate package creates a multimodal fund, Vennewitz said, which consists of 10.8 percent of the revenues from the motor vehicle sales tax. Forty percent of the multimodal funds will be credited to the Department of Transportation (MnDOT) multimodal account, she said, and 60 percent to a Metropolitan Council transit account. According to the bill, 20 percent of the money in the MnDOT account will be used for transit assistance in Greater Minnesota, and 25 percent for cities with population under 5,000.

Vennewitz said the Senate bill calls for an equal distribution of \$1 billion in trunk highway bonds over 10 years, and directs the bond proceeds equally between the seven-county Metropolitan Area and Greater Minnesota for bottlenecks and at-risk interregional corridors. According to the bill, the gas tax increases by 6 cents and will be indexed based upon the consumer price index. The additional funds generated by the gas tax increase are distributed based on a new County State Aid to Highways (CSAH) formula that allocates 10 percent of the money equally across the state, 10 percent based on lane-miles, 30 percent by population, and 50 percent based on need, she said. The bill also creates a 2002 referendum for the 11-country Metro Area regarding a half-cent sales tax to be used exclusively for transportation purposes, Vennewitz said.

The Senate bill contains other provisions not found in the House version, Vennewitz said. The Senate proposal includes requirements for agricultural-based de-icing materials on roads and \$10 million in funding for several transit projects including the St. Paul Busway, the purchase of the Union Depot, and preliminary work on the Rush Line and Red Rock

rail corridors, she said. According to Vennewitz, two additional provisions, a requirement for the Metropolitan Airports Commission to submit its proposed budget for legislative review and a local sales tax in Rochester to be used for capital expenditures, including transportation infrastructure improvements, had no comparable provision in the House bill.

Several provisions were found in both bills, said Vennewitz. Both bills had identical language regarding farm truck definitions, weight regulations for vehicles transporting forest products, limitations on spot inspections of commercial vehicles by the State Patrol, and weight scale and overweight fine regulations.

Kuisle suggested that many of the identical, non-controversial provisions found in both bills should be transferred to the transportation policy bill to expedite the process.

After a brief discussion, the committee agreed to meet again to hear testimony from transportation officials.

CSAH compromise discussed

A compromise that shifts several million dollars from roads in Greater Minnesota to urban areas was the sole topic of discussion at the Thurs., Apr. 10, meeting of the Transportation Budget Conference Committee, chaired by Sen. Dean Johnson (DFL-Willmar) and Rep. William Kuisle (R-Rochester).

Because the revenue from 4 cents of the proposed gas tax increase in the Senate version of the transportation bill goes to the county and state-aid highway fund (CSAH), finding a balance in the distribution formula between urban and rural roads has been a contentious issue, Johnson said. "You tend to see the formula depending on where you live," said Johnson, referring to the tendency of lawmakers to favor the formula that benefits their home constituency. Johnson said that sometimes compromise is needed for the greater good of the state and emphasized that every county in the state will receive new road dollars under the compromise plan.

Senate Fiscal Analyst Amy Vennewitz outlined the differences between the current, proposed and compromise versions of the CSAH formula. Vennewitz said the formula changes only pertain to the new gas tax revenues and that the current formula remains in place for existing gas tax revenues. The current formula divides 10 percent of the revenue

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equally among the counties in the state, 10 percent based on vehicle population, 30 percent based on the number of lane miles, and 50 percent based on needs, she said. The proposed alternative, brought forth by the Metropolitan Inter-County Association (MICA), said Vennewitz, eliminates distribution based on equal distribution, lane-miles and vehicle population, but splits revenue equally based on population and needs. Vennewitz said the current CSAH formula distributes 19 percent of revenues to the Metropolitan Area, but the MICA proposed formula distributes 38 percent of new gas tax revenues to the Metro Area.

The Senate compromise formula, said Vennewitz, distributes 29 percent of new gas tax revenues to the Metro Area. Ten percent of CSAH revenues are distributed equally among all 87 state counties, 10 percent based on lane-miles, 50 percent based on needs, and 30 percent based on population, Vennewitz said. Based on a 5 cent gas tax increase and compared to the current formula, the MICA proposal shifts \$8 million from rural areas to Metro Area roads, while the compromise formula only transfers \$4 million from rural to urban, she said.

Tim Flaherty, representing the Coalition for Greater Minnesota Cities, said the organization supports an indexed gas tax, but only as part of a balanced funding package. Flaherty said that the coalition prefers to maintain the current CSAH formula, but in the spirit of compromise, could accept the Senate proposal. However, Flaherty said the coalition objected to the gas tax revenue that is diverted into a Metro transit account. "We do oppose funding of transit at the expense of roads," Flaherty said. "We don't have enough money for roads and highways, so the gas tax should be dedicated to that. There should be an alternative source of funding for transit."

Rep. Al Juhnke (DFL-Willmar) criticized the MICA and Senate compromise plans because of the reliance on population instead of number of vehicle registrations. "What on earth does population have to do with the condition of roads?" Juhnke asked. "The formula reconfiguration is headed down a dangerous path regarding fixing roads in this state."

"The current CSAH formula is based on a 1950s system of distribution," said Bob Vanasek of MICA. "Forty years later,

it is out of date. Population is a relevant measure because there is a strong correlation between population and the amount of traffic on roads in the area."

Department of Transportation (MnDOT) Financial Analyst Bruce Briese testified that 53 percent of revenue from the motor vehicle registration tax comes from the seven-county Metro Area, and 46 percent of the gas tax revenues come from the Metro Area.

Roger Peterson of the Association of Metropolitan Municipalities said the organization strongly supports the CSAH changes because even though Metro Area roads only comprise 8 percent of the CSAH roads in the state, they carry 47 percent of the vehicle miles per day. Peterson said that the miles traveled per lane in Greater Minnesota is 278 per day, while in the Metro Area, 2,886 miles are traveled per lane per day. "That's over ten times the number of miles traveled per day on Metro Area roads, and there are significant problems with the roads we have," said Peterson.

"We aren't looking to change the entire amount of money going to roads," Peterson said, "We only want to get some shifted to the Metro Area." When asked by the committee, Peterson characterized the level of support for a gas tax in Metro Area municipalities as significant.

Rep. Tony Kielkucki (R-Lester Prairie) said that in a Minneapolis Star Tribune poll a month ago, only 8 percent of respondents said they wanted to raise the gas tax. Kielkucki added that his e-mails on the gas tax are divided equally between supporters and opponents. Johnson replied that poll results depend on the questions that are asked and said that the Legislature has done a poor job explaining the link between the gas tax and transportation projects. Sen. Roy Terwilliger (R-Edina) said that he saw another poll that indicated strong support for both a gas and sales tax increase for roads and transit. He said the public won't support a sales tax increase to balance the budget, but definitely will for transportation.

Referring to an earlier discussion about the impact of the taxes on the average state household, Johnson said the gas tax will cost the average family \$60 per year, and the 0.5 percent sales tax will cost the average Metro Area household an additional \$124 per year.

In other testimony, Robert Tennesenn representing the I-35 Solutions Alliance said that while the organization supports the MICA version of the CSAH formula, they recognize the need for give and take. Carol Lovro from the Association of Minnesota Counties said her organization didn't want the CSAH formula to be an impediment to passing a transportation bill. "We have to find a way to start dealing with these needs in a responsible fashion," she said.

Juhnke said that transferring CSAH money away from rural areas will erode support for the entire bill. "Most of the support in the House for the gas tax are representatives from rural counties," Juhnke said. "If you shift CSAH to benefit the Metro Area, you will lose the low base of support that exists."

Senate proposal rejected

A motion to accept the Senate version of the transportation funding package was rejected by the Transportation Budget Conference Committee, chaired by Sen. Dean Johnson (DFL-Willmar) and Rep. William Kuisle (R-Rochester), Tues., Apr. 16. The motion failed on a tie vote, with all House members voting against the bill.

Juhnke moved the first two articles of the Senate bill and Fiscal Analyst Amy Vennewitz laid out the main provisions. Vennewitz said items included in the motion were the creation of the multimodal fund, the compromise version of the county state-aid highway fund (CSAH) distribution formula for new gasoline tax money, a six cent gasoline tax increase that will be indexed for inflation, and a \$1 billion appropriation for trunk highway bonds for the next 10 years. Also included, according to Vennewitz, were provisions related to a \$20 motor vehicle excise tax and a Metro Area transportation referendum regarding a proposed 0.5 percent sales tax to be used for transportation funding purposes.

Rep. Al Juhnke (DFL-Willmar) questioned a section of the proposal that appropriates 25 percent of the multimodal fund to cities with populations less than 5,000. Juhnke pointed out that larger cities don't receive state money for local roads and that if the proposal is passed, all municipalities will be looking for the same thing. "We'll be opening up a can of worms," he said.

Rep. Tony Kielkucki (R-Lester Prairie) said that money in the multimodal

account is going to transit, not roads. He asked for the total amount over ten years going to roads in the Senate proposal. Vennewitz said that \$2.7 billion over ten years will be going to roads and bridges under the Senate plan, but later said the figure would be \$4.2 billion if the Metro Area sales tax is taken in consideration. In response to a question from Rep. Mary Liz Holberg (R-Lakeville), Vennewitz said the gas tax revenues in the Senate package cover debt service on both proposed trunk highway bonding and the \$245 million in existing trunk highway debt.

Department of Transportation (MnDOT) Commissioner Elwyn Tinklenberg said the major impact for the state, if the Senate bill is passed, is a dramatic acceleration in transportation construction. "Projects not anticipated to begin for 10 years could start in 2004-05," said Tinklenberg. "The Senate plan will give us the ability to plan for that type of long-term program. Without such a plan, when the funding is used up, there will be

a dramatic drop-off in our ability to start projects. We will be forced to start over again."

Tinklenberg said that part of the delay in getting current projects started is because in the 1990s, the department stopped getting projects ready ahead of time because of the lack of long-term funding. "There were no projects ready on the shelf when we received funding in 2000," he said. "We don't want to lose two to three years of development time. We want to get projects started right away. We want a smooth transition between the old and new funding."

When asked about the governor's support of the Senate plan, Tinklenberg said the governor wants the budget deficit issue resolved first, but is open to a discussion about how to fund transportation. Johnson asked if Tinklenberg would recommend the Senate plan to the governor. "The quality of life and economic future of the state depends on the transportation system," said Tinklenberg.

"It is dangerous to give the public the impression that something significant is happening when it really isn't. We have to make up for 14 years of lost buying power. I would support a bill if it is significant and multimodal in scope."

Sen. David Johnson (DFL-Bloomington) said that the committee was dealing with two separate issues, whether it wants a tax and if it wants to let voters decide to tax themselves. Sen. Mark Ourada (R-Buffalo) said that the true benefit of the Senate bill is that projects that haven't been conceived will be addressed because proposed projects will be taken care of sooner, and future budgets will be freed up.

Juhnke moved to amend the motion to remove the sections in the Senate plan dealing with changes in the CSAH distribution formula. The effect of the amendment is to maintain the current CSAH formula, Juhnke said. Dean Johnson said that while the 87 county commissioners voted for a CSAH distribution split 50-



Commissioner of Transportation Elwyn Tinklenberg, foreground, fields questions from Senate and House members during a conference committee meeting on transportation funding Tues., Apr. 16.

Photo by David J. Oakes

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50 between population and needs, the Senate worked hard to create a compromise that was more equitable. "If this amendment passes, the transportation bill will not pass the senate floor," said Dean Johnson. Juhnke said, "When you go for a formula based on population, rural Minnesota always loses."

Dean Johnson said the transportation bill is the second largest issue in the state besides the budget and that something has to be done this year.

David Johnson said the Senate bill doesn't pit Greater Minnesota versus the Metro Area. "The word I have received from rural Minnesotans is that we need to do something. The Senate proposal puts an enormous amount of money into rural Minnesota." He further countered House criticism of the balance of the Senate package. "Given that \$1 billion per year is needed for transportation just so things don't get worse, the Senate plan is modest. How the House bill is more balanced when it only addresses 7.5 percent of the problem at twice the price is beyond my comprehension," he said.

Rep. Tom Workman (R-Chanhassen) said the committee is miles apart on the big issues and that they were wasting their time debating small issues. Workman said that some sort of middle ground must be found before they start voting. Juhnke withdrew his amendment.

Sen. Julie Sabo (DFL-Mpls.) asked the committee how they thought the term "middle ground" was defined. "If the middle ground is somewhere between doing nothing and what the Senate plan offers, then we are doing Minnesota a disservice," she said. "But if we look at the magnitude of the problem itself, then the Senate version is a reasonable package."

Sen. Roy Terwilliger (R-Edina) said the longer infrastructure is ignored, the worse the problem will become. "We're not here to get re-elected. We're here to represent the constituents of the state of Minnesota. We can't continue to ignore the problem, and that's what we've been doing," he said.

Workman said it was arrogant of Senate members to assume that if they can only persuade House conference committee members, the battle is won. "This is about what can get by on the House floor," he said. "We have to accept the reality of what will be able to pass."

The motion was divided into the two separate articles found in the Senate bill. The motion to adopt Article I, which pertains to the gas tax, trunk highway

bonding, CSAH formula changes and the multimodal fund, was rejected in a tie vote, with two abstentions. The motion to adopt Article II, which contains provisions related to the Metro Area sales tax and motor vehicle excise tax, was also rejected in a tie vote, with two abstentions.

In further discussion Kielkucki said he was against the gas tax indexing provision because it takes future appropriations out of the hands of government. "When we put government on auto-pilot, we take away our ability to set priorities," he said.

Ourada said that in discussions with Senate Minority Caucus leaders, there was overwhelming support for a gas tax.

House counteroffer discussed

The action centered on a House counterproposal for transportation funding at the Wed., Apr. 17, Transportation Budget Conference Committee, chaired by Sen. Dean Johnson (DFL-Willmar) and Rep. William Kuisle (R-Rochester). No action was taken on the proposal.

Kuisle explained the various provisions in the bill, which included the \$750 million for 5 years in trunk highway bonding found in the original House version, a 2000 highway appropriation of \$245 million in remaining general fund revenue that won't be converted to trunk highway bonding as in the Senate plan, \$54 million in Metropolitan Council transit capital bonds and \$116 million in general obligation bonds authorized for transportation. Kuisle also described several provisional items that he emphasized would be considered only if members agreed conceptually on a gasoline tax. One provisional item is a gas tax increase for trunk highway bonding above \$750 million, the proceeds of which are allocated 47.5 percent to at-risk interregional corridors, 47.5 percent to Metro Area bottlenecks, and 5 percent to transit. An additional provisional item, according to Kuisle, is a constitutional amendment that dedicates 32 percent of motor vehicle excise tax (MVET) revenues to the highway user trust fund, 20.5 percent to the metro transit fund, 1.25 percent to the Greater Minnesota transit fund, and 2 percent to the Metro Area transit appropriations account.

Sen. Mark Ourada (R-Buffalo) criticized the new House plan because there is no growth in transportation spending. "Without a gas tax, there is no new money. Instead of doing maintenance, money will be needed to pay debt service.

I don't want to get into a situation where we are robbing resources from current maintenance because we didn't establish an adequate funding source," he said.

Kuisle disagreed. He said that the House intent is to address current projects that are idled because costs are continually skyrocketing. The plan will save money over time, Kuisle said.

Johnson said the plan didn't have enough transit funding, but that the House plan is a good starting point. "You have to put a gas tax on the table plus more money for transit," Johnson said. "There are some commonalities, but some work to do."

Sen. Julie Sabo (DFL-Mpls.) questioned House members about how long-term transportation needs are addressed in the proposal. Sabo said the plan maintains the status quo without addressing the long-term needs clearly expressed by the witnesses to the committee. Kuisle said that the fact the state is currently in a budget deficit situation must be factored in and that a provision in the plan seeks to constitutionally dedicate a portion of MVET revenues to transit, addressing long-term concerns.

"We are on thin ice with a gas tax," said Mary Liz Holberg (R-Lakeville). "Many House members have signed a no-new-taxes pledge. It can't be taken lightly."

Johnson said what that matters the most is the pledge Legislators take to serve the constituents of the state of Minnesota and that no one organization should have the final say on what goes on in the Legislature. "No one should attack you for doing the right thing for transportation," Johnson said.

Rep. Tom Workman (R-Chanhassen) said that he was excited and filled with hope to see some movement on the House's part. "I signed the pledge too," Workman said. "But when the box of money we use to build roads is almost empty, we need to get more money in the box."

FLOOR UPDATE

Monday, April 8

Phosphorus report okayed

In a brief floor session, Mon., Apr. 8, Senators adopted a conference committee report on S.F. 1555, sponsored by Sen. Linda Higgins (DFL-Mpls.). The bill preempts local authority regarding phosphorus fertilizer regulation.



Senators Dean Johnson (DFL-Willmar), far left, and Don Samuelson (DFL-Brainerd) address a crowd of mostly military veterans during ceremony to dedicate a plaque commemorating the Bataan Death March Tues., Apr. 9 at the Wall of Honor on the State Capitol grounds. Photo by Shelley Hawes

Higgins said conferees resolved differences between competing versions of the bill by allowing local units of government to enact ordinances regarding phosphorus fertilizer by August 1. Ordinances passed after that date, she said, will be preempted by the legislation. Sen. Mady Reiter (R-Shoreview) spoke against the bill, saying it was unnecessary to remove local control over fertilizer. If Metropolitan Area communities want to limit phosphorus-based fertilizer use, she said, they can enact ordinances individually. Senators Steve Murphy (DFL-Red Wing) and Steve Dille (R-Dassel) said they heard testimony in committee that phosphorus is almost never necessary on Metro Area lawns. "There really is no good reason not to support this bill. The science is behind it," Dille said.

Sen. Linda Scheid (DFL-Brooklyn Park) said she was concerned about a provision in the bill prohibiting the application of fertilizer, regardless of

phosphorus content, on impervious surfaces. She said the provision amounts to overkill by not allowing spillage on driveways. When applying fertilizer, Scheid said, it is impossible not to spill a little on a driveway or curb. Higgins said the provision was included to reinforce that people applying fertilizer should take care to minimize spills and clean up after the application. The conference committee report was adopted and the bill repassed, 58-1.

In other action, Senators adopted a conference committee report on S.F. 3288, carried by Sen. Steve Kelley (DFL-Hopkins). The bill relates to firefighter employment and arbitration provisions.

Tuesday, April 9

Residence kept open

Senators, in an effort to counteract plans to close the historic building, adopted an amendment requiring the

official governor's residence on St. Paul's Summit Avenue to remain open regardless of whether or not the governor occupies the residence. The amendment was adopted to the Department of Public Safety housekeeping bill, sponsored by Sen. Steve Murphy (DFL-Red Wing). The bill, H.F. 3203, was granted final passage on the Senate floor Tues., Apr. 9.

Sen. Richard Cohen (DFL-St. Paul) said the governor stated his intent to close the residence because of cuts made to the Governor's Office and executive protection during the first round of budget reconciliation earlier this year. However, Cohen said, Senate budget divisions made it clear while the so-called phase one bill was being drafted that budget reductions were intended to affect the governor's out-of-state travel and not the residence. "The governor got, to the dollar, what he requested in his budget," Cohen said.

The residence, which was donated to the state in 1965, has a degree of ambiguo-

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ity in its deed, Cohen said. The deed, Cohen said, indicated that the residence must be demolished if it is not being actively used. The amendment, which he offered, mandates that the residence be kept open for ceremonial purposes and requires the commissioner of public safety to provide security for the structure. Sen. Dave Kleis (R-St. Cloud) asked if security is provided in statute for other state buildings and what sort of security the amendment mandates. Sen. Dean Johnson (DFL-Willmar) said state law requires Capitol Complex Security to safeguard buildings designated by the administration as part of the Capitol Complex. Johnson said that the commissioner of public safety will most likely utilize capitol security officers rather than state troopers to safeguard the residence if it is not occupied by the governor's family. The amendment was adopted.

Other discussion on the bill focused on numerous other amendments, including one offered by Sen. Grace Schwab (R-Albert Lea). The amendment deals with motorcycles with replaced engines. She said reconstructed motorcycles have a large stigma attached to them, which is unfair. "Treat this as you would a car," Schwab said. Senators Don Betzold (DFL-Fridley) and Leo Foley (DFL-Coon Rapids) both said that motorcycle theft may become easier to accomplish if the amendment is adopted. However, Schwab said the Department of Public Safety does not believe that theft will rise, because the necessary information about a motorcycle will still be available on a title, just without the designation of being reconstructed. The amendment was adopted.

Senators also granted final passage to S.F. 2937, carried by Sen. John Hottinger (DFL-Mankato). The bill extends the statute of limitations for actions covering response costs under the Minnesota Environmental Response and Liability Act (MERLA). Hottinger said that prior to 1998, the timeframe for MERLA-related cleanups was unclear. Since Legislative action in 1998, he said, 25 large insurance companies have paid their responsibilities under MERLA. The bill corrects a misinterpretation of the 1998 law by state courts in a case currently under consideration by the Court of Appeals.

Sen. David Knutson (R-Burnsville) said the Senate has always refrained from

intervening in current court decisions and should stick to that practice. Rather than letting the court decide the case, he said, the bill writes the decision into law.

Hottinger said the District Court said, in its decision, that it took "solace in knowing that the Legislature is not barred from closing" loopholes in the law. He said the most important part of MERLA is fixing pollution, not litigating who should pay for cleanup. Sen. John Marty (DFL-Roseville) said the philosophy behind MERLA is that polluters, not taxpayers, pay for cleanup. S.F. 2937 upholds that philosophy, he said.

In other action, the Senate adopted a resolution recognizing Apr. 9, 2002, as the 60th anniversary of the fall of Bataan and the beginning of the Bataan Death March. Sen. Don Samuelson (DFL-Brainerd), sponsor of the resolution, said hundreds of Minnesotans died in the march. A memorial plaque commemorating Bataan was unveiled earlier in the day, he said, on the Capitol grounds. Members briefly recessed to recognize Bataan survivors in the Senate gallery.

Senators also granted final passage to a bill appropriating money for maintenance, monitoring and enforcement related to recreational motor vehicle use. The bill, S.F. 2970, was carried by Sen. LeRoy Stumpf (DFL-Thief River Falls).

Members also discussed the omnibus agriculture bill, H.F. 3183, before laying it on the table. Sen. Mark Ourada (R-Buffalo) offered an amendment to the bill that classifies manufactured home complexes, of less than four units, that are used for seasonal agricultural operations as not being manufactured home parks. Sen. Ellen Anderson (DFL-St. Paul) said the amendment allows substandard housing in Minnesota and permits substandard housing to be used for seasonal workers, many of whom are migrant workers. Ourada said he has been in contact with the Department of Health and it has signed off on the bill. After a question arose, the amendment was ruled not germane to the bill.

Murphy, chief author of the bill, offered an amendment prohibiting local restrictions on the use of agricultural fertilizer. He said agricultural fertilizers, including manure, should be regulated by the state Department of Agriculture. Sen. Jane Krentz (DFL-May Township) said a

previous bill regulating fertilizers was limited to phosphorus based products because some agricultural chemicals can be used in illegal drug labs or for explosives. The amendment, she said, prohibits local units of government from tracking agricultural chemicals. Thus, Krentz said, the amendment presents a serious public safety issue. Murphy offered an amendment to the amendment, which was adopted, stating that the provision does not preempt local responsibilities for public health and safety.

Sen. Steve Dille (R-Dassel) said that if local units of government are allowed to restrict the use of agricultural fertilizers, the farm industry will be faced with a web of confusion. Krentz said the amendment is still too broad and interferes too much with local control for almost no reason. "This is a solution in search of a problem," she said.

Members also adopted an amendment to the Murphy amendment, offered by Sen. Dennis Frederickson (R-New Ulm), creating an exception for anhydrous ammonia. Frederickson said anhydrous ammonia is a very dangerous commodity that should still be controlled at the local level. After further discussion, Murphy withdrew his amendment.

Dille offered an amendment to the bill creating a methane digester loan program. The amendment was identical to S.F. 2594, which previously passed the Senate but has stalled in the other body. The amendment was adopted.

Senators also received a series of messages from the other body and granted several bills concurrence and repassage. S.F. 2457, carried by Sen. Linda Berglin (DFL-Mpls.), modifies civil commitment standards. S.F. 2592, authored by Sen. Edward Oliver (R-Deephaven), establishes a process for demutualization of mutual insurance holding companies into stock companies. S.F. 2650, sponsored by Sen. Don Samuelson (DFL-Brainerd), modifies regulation of credit unions. S.F. 3238, carried by Sen. Jane Ranum (DFL-Mpls.), provides options relating to the election of directors of nonprofit neighborhood organizations and provides for voting rights for members.

Finally, members voted to override the governor's veto of a bill providing funds to public television stations to assist in digital conversion. H.F. 197, carried by Sen. Keith Langseth, provides an \$8 million appropriation to help public

television stations throughout the state meet a federal mandate for digital conversion. Sen. Richard Cohen, speaking in support of the override, said that last year the governor agreed to the appropriation, but had vetoed the bill this year. Members voted 53-5 to override the veto. As an aside, Sen. Steve Dille (R-Dassel) pointed out that there have been 13 vetoes since 1939 with 9 of them occurring under the present administration.

Thursday, April 11

Appointments approved

The Senate confirmed several appointments to state offices during the floor session Thur., Apr. 11.

Sen. James Metzen (DFL-South St. Paul) moved to confirm Phyllis Reha's appointment to the Public Utilities Commission and his motion was adopted.

Susan Stevens Chambers and Clyde Miller's positions on the Campaign Finance and Public Disclosure Board were also confirmed by the Senate, under a motion by Sen. Roger Moe (DFL-Erskine).

Sen. Becky Lourey (DFL-Kerrick) made a motion to confirm several appointments to the the Board of the Lola and Rudy Perpich Minnesota Center for Arts Education, Board of Minnesota State Academies and the Minnesota Higher Education Facilities Authority.

The Senate also considered several bills for concurrence and repassage.

Two bills authored by Metzen were repassed. The first, S.F. 2957, which makes technical changes to the Board of Dentistry's policies, was repassed on a 51-0 vote. The second, S.F. 2988, the omnibus banking bill, was repassed 53-1.

A technical bill relating to vehicle sales taxes, S.F. 3075, offered by Sen. Richard Cohen (DFL-St. Paul), was granted final re-passage 55-0.

Sen. Thomas Neuville (R-Northfield) made a motion to concur with House amendments on S.F. 3114, a child support bill. Sen. Ellen Anderson (DFL-St. Paul) said she did not support the bill because it was too lenient on persons who miss their payments by giving individuals who miss payments and set up payment plans an additional 90 days to start paying. "Why reward bad behavior?" she asked.

Neuville said the additional 90 days are needed because of the time required to set up payment plans. His motion prevailed 54-2.

Monday, April 15

Teacher, rural health plans heard

Members of the Senate came together Mon., Apr. 15, and heard three bills regarding teacher and rural health insurance plans and unpaid leave for voluntary firefighters.

Sen. LeRoy Stumpf (DFL-Thief River Falls) authored S.F. 1755, which mandates a study of school employee health plans. The bill specifies that a committee of 15 people, 7 representing employees, 7 standing in for employers and the commissioner of employee relations, gather information on employee group health characteristics and design a plan to stabilize health insurance costs.

Stumpf said the funding for the research and planning was taken out in the Finance Committee and offered an amendment to replace the \$1.3 million needed for the study.

Sen. Martha Robertson (R-Minnetonka) said, "The price was \$900,000 in the Finance Committee. Now it's up to \$1.3 million. Where is this money coming from?"

Stumpf said the funding is taken from the reserves. He said that if a plan is made school employers will have to pay the money back to the state in five years.

"We still have \$439 million of the shortfall to solve. Now will we have to solve \$440.3 million? If we had the money to spend, a study of health care plans would not be the first place I would spend it," Robertson said. She questioned the bill's germaneness and said it was not a fiscally balanced measure. The bill was ruled not germane. The measure was referred to the Finance Committee.

The Senate passed the conference committee report on S.F. 2909, which allows health maintenance organizations to assist in the development of a rural demonstration project aimed at reducing the number of uninsured people in rural Minnesota and lowering health insurance costs. The report, presented by Sen. Dallas Sams (DFL-Staples), was approved 59-0.

The conference committee report on S.F. 2960, which grants 20 hours of unpaid leave to volunteer firefighters who are late or absent from work due to their assistance on the scene of a fire, was also considered. Sen. Debbie Johnson (R-Ham Lake), author of S.F. 2960, said the bill is needed to protect firefighters who cannot make it

to work because they are busy at a fire and replacement firefighters are not available.

Sen. Ellen Anderson (DFL-St. Paul) said that although no opposition to the bill was heard during committee hearings, several fire chiefs do not support the bill because it will injure positive working relationships they currently have with employers of firefighters.

In the conference committee, a provision was added to S.F. 2960 that makes sparklers and other nonexplosive, nonaerial types of fireworks legal. Sen. David Tomassoni (DFL-Chisholm) said sparklers and other fireworks legalized in the report are as safe as kitchen matches. Sen. Twyla Ring (DFL-North Branch) said she does not want children to play with either matches or sparklers.

The Senate voted to refer the report back to the conference committee.

Senate on the World Wide Web

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Web site wins national award

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Floor action

Monday, April 8

Conference committee reports adopted and repassed

S.F. 1555-Higgins: Provides a preemption of local regulation of phosphorous fertilizers. 58-1

S.F. 3288-Kelley: Extends the expiration of an interest arbitration provision governing firefighters. 61-0

Tuesday, April 9

Bills repassed, the objections of the governor notwithstanding

H.F. 197-Langseth: Appropriates money for grants to noncommercial television stations. 53-5

Bills granted concurrence and repassage

S.F. 2457-Berglin: Authorizes the court to commit certain persons with mental illnesses to community hospitals. 54-3

S.F. 2592-Oliver: Authorizes the reorganization of a mutual insurance holding company into a stock company. 55-0

S.F. 2650-Samuelson: Modifies credit union regulations. 52-0

S.F. 3238-Ranum: Provides options relating to the election of directors and voting rights for members of nonprofit neighborhood organizations. 49-3

Bills granted final passage on Special Orders

H.F. 3203-Murphy: Motor vehicle and bicycle registration, dealer licensing and drivers license provisions clarification and modification and commercial motor vehicles traffic regulations provisions modifications. (Department of Public Safety housekeeping bill.) 61-0

S.F. 2937-Hottinger: Clarifies the statute of limitations for actions to recover release response costs under the Environmental Response and Liability Act (Superfund). 38-23

H.F. 2970-Stumpf: Modifies recreational motor vehicles use provisions. 61-0

Thursday, April 11

Bills granted concurrence and repassage

S.F. 2957-Samuelson: Requires reporting of practice act violations to the Board of Dentistry and provides for complainant immunity. 51-0

S.F. 2988-Metzen: Regulates detached facilities, charges fees and mortgage repayment penalties. (Omnibus banking bill.) 53-1

S.F. 3075-Cohen: Provides for payment of sales tax on a motor vehicle sold in violation of dealer licensing requirements and abolishes misdemeanor penalties for certain offenses relating to vehicle titles. 55-0

S.F. 3114-Neuville: Permits the issuance of a limited license under certain circumstances to a person whose driver's license is suspended for nonpayment of support. 54-2

Confirmation of appointments

Public Utilities Commission: Phyllis Reha

Board of the Lola and Rudy Perpich Minnesota Center for Arts Education: Jay Andersen, Patricia Anderson, Alex Boise, Renee Jenson, Lani Kawamura, Marjorie Barton Savage, Geol Leonard Weirs.

Minnesota Higher Education Facilities Authority: Carol Blomberg, David Rowland.

Board of the Minnesota State Academies: Richard Berge, Robert Duncan, Paul Johnson, Phil Koprowski, James Potter, Mark Sathe

Campaign Finance and Public Disclosure Board: Susan Stevens Chambers, Clyde Miller.

Monday, April 15

Conference committee reports adopted and repassed

S.F. 2909-Sams: Provides for a health maintenance organization rural demonstration project. 60-0

S.F. 2960-Johnson, Debbie: Provides for unpaid leave for employees to perform volunteer firefighter duties and provides for the sale of fireworks novelties such as sparklers. Fails 29-33. Reconsidered. Returned to conference.

Thursday, April 18

Conference committee reports adopted and repassed

H.F. 2473-Ranum: Specifies that organ donor designation on a driver's license or Minnesota identification card establishes intent. 50-7

Bills granted concurrence and repassage

S.F. 2460-Kleis: Imposes special civil liability for destruction of field crop products, animals and organisms, and provides criminal penalties for persons who promote, advocate and take responsibility for criminal acts. 57-0

Bills granted final passage on Special Orders

H.F. 3183-Murphy: Omnibus agriculture provisions. Clarifies and updates certain terms, changes requirements and procedures, limits certain fees and payments, authorizes agreements, prohibits tampering with farm tractor clock-hour meters, prescribes civil and criminal penalties, authorizes the Northern Counties Land Use Coordinating Board to initiate a land use management pilot project, provides restrictions on farmed cervidae in regard to chronic wasting disease, adds Grecian Foxglove (*digitalis lanata*) to the list of secondary noxious weeds and provides an open air swine basin exemption. 41-16

Senate Seniority

Alphabetical by First Year of Senate Service

Sen. Roger D. Moe (DFL)	1971
Sen. Douglas Johnson (DFL)	1977
Sen. Bob Lessard (IND)	1977
Sen. Charles Berg* (R)	1981
Sen. William Belanger (R)	1981
Sen. Linda Berglin (DFL)	1981
Sen. Dennis Frederickson (R)	1981
Sen. Keith Langseth (DFL)	1981
Sen. Dean Johnson (DFL)	1983
Sen. Gen Olson (R)	1983
Sen. Lawrence Pogemiller (DFL)	1983
Sen. Don Samuelson (DFL)	1983
Sen. LeRoy Stumpf (DFL)	1983
Sen. Richard Cohen (DFL)	1987
Sen. Cal Larson (R)	1987
Sen. John Marty (DFL)	1987
Sen. James Metzen (DFL)	1987
Sen. Jim Vickerman (DFL)	1987
Sen. Pat Pariseau (R)	1989
Sen. Dick Day (R)	1991
Sen. John Hottinger (DFL)	1991
Sen. Thomas Neuville (R)	1991
Sen. Sandra Pappas (DFL)	1991
Sen. Leonard Price (DFL)	1991
Sen. Jane Ranum (DFL)	1991
Sen. Dallas Sams (DFL)	1991
Sen. Roy Terwilliger (R)	1992
Sen. Ellen Anderson (DFL)	1993
Sen. Don Betzold (DFL)	1993
Sen. Steve Dille (R)	1993
Sen. Sheila Kiscaden (R)	1993
Sen. David Knutson (R)	1993
Sen. Jane Krentz (DFL)	1993
Sen. Arlene Lesewski (R)	1993
Sen. Steve Murphy (DFL)	1993
Sen. Edward Oliver (R)	1993
Sen. Martha Robertson (R)	1993
Sen. Dan Stevens (R)	1993
Sen. Deanna Wiener (DFL)	1993
Sen. Kenric Scheevel (R)	1994
Sen. Dave Kleis (R)	1995
Sen. Warren Limmer (R)	1995
Sen. Mark Ourada (R)	1995
Sen. Michelle Fischbach (R)	1996
Sen. Leo Foley (DFL)	1997
Sen. Linda Higgins (DFL)	1997
Sen. David Johnson (DFL)	1997
Sen. Steve Kelley (DFL)	1997
Sen. Becky Lourey (DFL)	1997
Sen. Claire Robling (R)	1997
Sen. Linda Scheid (DFL)	1997
Sen. Charles Wiger (DFL)	1997
Sen. Bob Kierlin (R)	1999
Sen. Twyla Ring (DFL)	1999
Sen. Anthony "Tony" Kinkel (DFL)	1999
Sen. Michele Bachmann (R)	2001
Sen. Satveer Chaudhary (DFL)	2001
Sen. Chuck Fowler (DFL)	2001
Sen. Debbie Johnson (R)	2001
Sen. Myron Orfield (DFL)	2001
Sen. Mady Reiter (R)	2001
Sen. Ann Rest (DFL)	2001
Sen. Julie Sabo (DFL)	2001
Sen. Grace Schwab (R)	2001
Sen. David Tomassoni (DFL)	2001
Sen. Mee Moua (DFL)	2002
Sen. Yvonne Prettner Solon (DFL)	2002

* Interrupted Service

Majority Caucus

Moe	1971	Anderson	1993
Johnson, Douglas	1977	Betzold	1993
(House-6 Yrs.)		Krentz	1993
Berglin	1981	Murphy	1993
(House-8 Yrs.)		Wiener	1993
Langseth	1981	Scheid	1997
(House-4 Yrs.)		(House-12 Yrs.)	
Samuelson	1983	Lourey	1997
(House-12 Yrs.)		(House-6 Yrs.)	
Pogemiller	1983	Kelley, S.P.	1997
(House-2 Yrs.)		(House-4 Yrs.)	
Stumpf	1983	Foley	1997
(House-2 Yrs.)		Higgins	1997
Johnson, Dean	1983	Johnson, David ..	1997
(House-4 Yrs.)		Wiger	1997
Metzen	1987	Ring	1999
(House-12 Yrs.)		Kinkel	1999
Cohen	1987	Rest	2001
(House-6 Yrs.		(House-16 Yrs.)	
Non-consecutive)		Orfield	2001
Marty	1987	(House-10 Yrs.)	
Vickerman	1987	Tomassoni	2001
Price	1991	(House-8 Yrs.)	
(House-8 Yrs.)		Chaudhary	2001
Pappas	1991	(House-4 Yrs.)	
(House-6 Yrs.)		Fowler	2001
Hottinger	1991	Sabo	2001
Ranum	1991	Moua	2002
Sams	1991	Solon, Y.P.	2002

Minority Caucus

Belanger	1981	Oliver	1993
Frederickson	1981	Robertson	1993
Berg	1981	Stevens	1993
Olson	1983	Scheevel	1994
Larson	1987	Limmer	1995
(House-8 Yrs.)		(House-6 Yrs.)	
Pariseau	1989	Ourada	1995
Day	1991	Kleis	1995
Neuville	1991	Fischbach	1996
Terwilliger	1992	Robling	1997
Dille	1993	Kierlin	1999
(House-6 Yrs.)		Bachmann	2001
Kiscaden	1993	Johnson, Debbie ..	2001
Knutson	1993	Reiter	2001
Lesewski	1993	Schwab	2001

Independence Caucus

Lessard	1977
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Source: Office of the Secretary of the Senate

Minnesota Senate 2002

Party	Phone	Name	Room	District	Party	Phone	Name	Room	District
DFL	296-5537	Ellen R. Anderson	120 Cap.	66	DFL	296-4370	James P. Metzner	322 Cap.	39
R	296-4351	Michele M. Bachmann	125 SOB	56	DFL	296-2577	Roger D. Moe	208 Cap.	2
R	296-5975	William V. Belanger, Jr.	113 SOB	41	DFL	296-5285	Mee Moua	323 Cap.	67
R	296-5094	Charles A. Berg	25 SOB	13	DFL	296-4264	Steve Murphy	306 Cap.	29
DFL	296-4261	Linda Berglin	309 Cap.	61	R	296-1279	Thomas M. Neuville	123 SOB	25
DFL	296-2556	Don Betzold	G-9 Cap.	48	R	296-4837	Edward C. Oliver	117 SOB	43
DFL	296-4334	Satveer Chaudhary	325 Cap.	52	R	296-1282	Gen Olson	119 SOB	34
DFL	296-5931	Richard J. Cohen	317 Cap.	64	DFL	296-4191	Myron Orfield	227 Cap.	60
R	296-9457	Dick Day	147 SOB	28	R	296-5981	Mark Ourada	145 SOB	19
R	296-4131	Steve Dille	103 SOB	20	DFL	296-1802	Sandra L. Pappas	120 Cap.	65
R	296-2084	Michelle L. Fischbach	15 SOB	14	R	296-5252	Pat Pariseau	109 SOB	37
DFL	296-4154	Leo T. Foley	G-24 Cap.	49	DFL	296-7809	Lawrence J. Pogemiller	235 Cap.	59
DFL	296-5713	Chuck Fowler	G-9 Cap.	26	DFL	297-8060	Leonard R. Price	235 Cap.	57
R	296-8138	Dennis R. Frederickson	139 SOB	23	DFL	297-8061	Jane B. Ranum	120 Cap.	63
DFL	296-9246	Linda Higgins	328 Cap.	58	R	296-1253	Mady Reiter	132D SOB	53
DFL	296-6153	John C. Hottinger	205 Cap.	24	DFL	296-2889	Ann H. Rest	G-24 Cap.	46
DFL	296-9261	David H. Johnson	124 Cap.	40	DFL	296-5419	Twyla L. Ring	306 Cap.	18
DFL	296-3826	Dean E. Johnson	124B Cap.	15	R	296-4314	Martha R. Robertson	141 SOB	45
R	296-3219	Debbie J. Johnson	149 SOB	50	R	296-4123	Claire A. Robling	143 SOB	35
DFL	296-8881	Douglas J. Johnson	205 Cap.	6	DFL	296-4274	Julie A. Sabo	317 Cap.	62
DFL	297-8065	Steve Kelley	321 Cap.	44	DFL	297-8063	Dallas C. Sams	328 Cap.	11
R	296-5649	Bob Kierlin	127 SOB	32	DFL	296-4875	Don Samuelson	120 Cap.	12
DFL	296-4913	Anthony G. "Tony" Kinkel	G-9 Cap.	4	R	296-3903	Kenric J. Scheevel	129 SOB	31
R	296-4848	Sheila M. Kiscaden	135 SOB	30	DFL	296-8869	Linda Scheid	303 Cap.	47
R	296-6455	Dave Kleis	107 SOB	16	R	296-9248	Grace S. Schwab	151 SOB	27
R	296-4120	David L. Knutson	133 SOB	36	DFL	296-4188	Yvonne Prettner Solon	303 Cap.	7
DFL	296-7061	Jane Krentz	111 Cap.	51	R	296-8075	Dan Stevens	105 SOB	17
DFL	296-3205	Keith Langseth	122 Cap.	9	DFL	296-8660	LeRoy A. Stumpf	G-24 Cap.	1
R	296-5655	Cal Larson	153 SOB	10	R	296-6238	Roy Terwilliger	115 SOB	42
R	296-4125	Arlene J. Lesewski	131 SOB	21	DFL	296-8017	David J. Tomassoni	111 Cap.	5
IND	296-4136	Bob Lessard	G-51 SOB	3	DFL	296-5650	Jim Vickerman	226 Cap.	22
R	296-2159	Warren Limmer	155 SOB	33	DFL	297-8073	Deanna L. Wiener	303 Cap.	38
DFL	296-0293	Becky Lourey	G-9 Cap.	8	DFL	296-6820	Charles W. Wiger	301 Cap.	55
DFL	296-5645	John Marty	325 Cap.	54					

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Senate Briefly

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The last day of April finds evidence of Spring on the Capitol grounds as hyacinths bloom and trees leaf out.

Photo by Shelley Hawes



April 26 and May 3, 2002

Senate Highlights

Negotiations continue

Negotiations on the major bills continued throughout the period of April 19 to May 2. While significant movement has not yet occurred, a number of other bills have been agreed upon by both bodies and signed into law.

This issue of Senate Briefly contains coverage of major conference committee action, floor action and a listing of all bills signed into law thus far. In addition, this issue contains a list of conference committee membership.

The next issue of Senate Briefly will most likely be the final of the year and will be published immediately after the Legislative Session adjourns or the constitutional deadline for adjournment, whichever occurs earliest. The final issue of Senate Briefly will contain action from May 2 through adjournment. In addition, the final issue will include a form to renew a subscription for the 2003 Legislative Session.

Senate on the World Wide Web

The Minnesota Legislature's Web site has been updated. A joint effort of the Senate, House of Representatives, Legislative Reference Library, Legislative Commissions, and the Office of the Revisor of Statutes, the site offers easier

access to a variety of legislative and government information.

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Information about joint legislative departments, the various legislative commissions, and task forces is available at <http://www.commissions.leg.state.mn.us>.

The House of Representatives Web page (<http://www.house.mn>) includes membership and committee information. It also has daily news, information, and the daily House schedule. House journals and legislative information are also available.

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Information Services

The Senate Information Office and the Office of the Secretary of the Senate are located in Room 231 of the Capitol. These offices distribute all public printed materials and handle inquiries about Senate committee meetings, Senate districts, Senate telephone numbers, bill reference numbers and status, and bill sponsorship. Interested citizens may also request copies of bills or ask to be put on the mailing list for Senate publications. If you want to know the name of your Senator or have any other questions about the Minnesota Senate, call 651-296-0504 (tty 651-296-0250).

The Senate Information Office also has toll-free telephone numbers to enable citizens of Greater Minnesota to obtain general information about the Minnesota Senate. The telephone numbers are: 1-888-234-1112 (voice) and 1-888-234-1216 (tty). Staff members are available to answer questions about the Senate and the legislative process.

For daily recorded updates on committee meetings, call the Senate Hotline at 651-296-8088.

Streaming Videos Available

Two videos, "Discover the Capitol" and "Rules, Laws and Process," can now be accessed through the Legislature's website at <http://www.leg.state.mn.us/leg/youth/video.htm> (Requires Real Player or Windows Media Player.) These videos are excellent sources of information on the history of the State Capitol and on how laws are made in Minnesota. For more information or to borrow a video tape of either program contact Senate Media Services at (651) 296-0264.

Senate Briefly is a publication of the Minnesota Senate Publications Office. During the 2002 Legislative Session, each issue reports daily Senate activities between Thursdays of each week, lists upcoming committee meeting schedules and provides other information. The publication is a service of the Minnesota Senate. No fee. It can be made available in alternative formats.

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Committee update

Agriculture, General Legislation and Veterans Affairs

Gypsy moth measure approved

Members of the Agriculture, General Legislation and Veterans Affairs Committee, chaired by Sen. Steve Murphy (DFL-Red Wing), met Tues., Apr. 30, to discuss a bill clarifying the prohibition on certain applications of pesticides. The bill, carried by Murphy, effectively allows the application of pesticide in heavily populated areas to stop the spread of gypsy moths in Minnesota. It allows pesticide to be applied in two locations in Minneapolis where the moths have recently been discovered.

S.F. 3463 adds exceptions to current law that prohibit the direct application of pesticide on humans. The measure instead allows the direct application on humans when the pesticide is intended for use on humans, or when no practical and effective alternative method of control exists, the pesticide label does not prohibit an application that may result in human exposure, the pesticide is among the least toxic available for control of the target pest and residents in the area sprayed are provided with information regarding the application by direct notification or through a newspaper of general circulation within the affected area. The measure is effective on the day after final enactment. Murphy said the bill is in response to an opinion from the attorney general reaffirming current law that prohibits spraying pesticides in heavily populated areas.

Geir Friisoe, from the Minnesota Department of Agriculture, testified in support of the bill. Friisoe said gypsy moths—called in department literature the most destructive overall pest of trees and shrubs in America—are a federally quarantined pest. He said 60 percent of Minnesota is “highly susceptible” to their feeding habits, which include feeding on aspen and oak trees. Gypsy moths were imported to America in 1869, he said, as part of a silkworm experiment that went wrong. He said they have slowly been spreading west ever since. Friisoe said that the state has been monitoring the gypsy moth in Minnesota for about 25 years. Whenever a pocket is found, he said, it is dealt with. He said two significant infestations have recently been discovered in the Minneapolis area. Eradicating them, he said,

saves the state a significant amount of money. If an infestation goes uncontrolled, he said, the county in which they are located could become subject to federal quarantine.

Bob Fitch, from the Minnesota Nursery and Landscape Association, also spoke in favor of the measure. He said there will be dire consequences for interstate commerce if the gypsy moth population goes uncontrolled. Nurseries in a county that is under a federal quarantine, he said, will be limited in their ability to sell stock outside of the county.

“If gypsy moths aren’t controlled it will affect the nurseries’ ability to do business,” he said.

Tom Baumann, from the Division of Forestry within the Minnesota Department of Natural Resources, said the issue is also a forestry issue. Gypsy moths, he said, will kill trees. He said some states have lost half of their forest cover as a result of gypsy moth infestation.

“The potential for major damage to the forests is very real,” he said.

Sen. Ann Rest (DFL-New Hope) asked what kind of outreach information is taking place in the affected communities. Responding, Greg Buzicky, from the Department of Agriculture, said the department is working with community and federal agencies. He said a number of well-attended public meetings have taken place, notification has appeared in local newspapers and three direct mailings have been initiated. A media event for television coverage, he said, is also planned for some time in early May.

Sen. Twyla Ring (DFL-North Branch) asked if the pesticide to be used is the same pesticide that was responsible for killing thousands of butterflies recently in Gaylord. Buzicky said it is not the same pesticide. It is, he said, the same pesticide that is used by organic farmers.

Sen. Becky Lourey (DFL-Kerrick) asked what has been happening in the Northeastern states that are already under federal quarantine. She asked if natural predators have developed, and if destroyed trees have eventually returned.

“Does it ever get better?” she asked.

Baumann said “better” is a subjective term. Natural predators have developed, he said, and the effects of the moth have balanced out. However, he said, the productivity of the forest is reduced dramatically. He also said, from a wildlife and forestry perspective, less-desirable tree

species will appear to take the place of trees destroyed.

Lourey also asked if it is possible to stave off the arrival of the gypsy moth forever. With various treatments, Friisoe said, the advance of the moth has been reduced from 30 miles per year to between 5 and 7 miles each year. However, he said, the moth is still advancing.

“It has slowed down, but it is still coming towards us,” he said.

Ring asked what happens if a county or state is placed under a federal quarantine. Friisoe said all goods exiting a quarantined area must be inspected for gypsy moths one by one for approval. He used the example of such products as Christmas trees or lumber from Michigan which, he said, due to infestation there, must all be inspected for the moth. Buzicky said treatment costs in Wisconsin cost at least \$3 million each year.

Lourey said she believes there is a need to respond to the problem of the gypsy moths. However, she added that she was concerned that the bill was too general and too broadly written. It is better, she said, to deal just with the emergency situation and then revisit the rest of the issue at a later date. She asked if it was better to include language specifying that the bill deals only with the gypsy moths.

Buzicky said he did not believe that the bill is too broad. But, he said, the language allows the measure to be used for more than just gypsy moths. He said he doesn’t want to interfere with other applications of pesticides that may currently be going on. He also said he doesn’t want to interfere with applications of pesticides to prevent disease outbreaks such as the West Nile Virus, which may be needed in the future. Buzicky also said the same enforcement and investigative procedure that has always been used will be used to check any potential violations.

Sen. Kenric Scheevel (R-Preston) spoke against Lourey’s suggestion. He said he would not like to be in a situation where something else happens and the state is unable to deal with it. When the Legislature adjourns, he said, he wants to make sure that the state is not in a position where it can’t react to other situations that arise. Murphy said he didn’t want to limit the bill to just dealing with gypsy moths. People will be upset, he said, if there is an outbreak of something like the West Nile Virus. He said he doesn’t want to tie the hands of the state.

Senate Highlights

However, Lourey said she was still uncomfortable with the bill. What the measure is controlling, she said, is not defined. She asked if a list of targets can be added. She also said there are ramifications for not being careful. Pesticides, she said, can cause certain diseases. She said that she wants to make sure that the problem at hand is addressed, along with any potential problems, and leave the rest for further debate.

“We have to have some kind of surety that what we’re doing is responsible,” she said.

Responding, Friisoe said it is almost impossible to anticipate the bugs and other things that might appear in the future. “It becomes very difficult and problematic,” he said.

Murphy presented an amendment—which keeps parts of the original bill while adding new language—to take into account Lourey’s concerns. The amendment adds the specification that pesticides may be applied when it is for control of the gypsy moth or other invasive species, the pesticide used is a biological agent and it is for a public health risk. The amendment also further defines “direct notification.” Murphy said the amendment deals with Lourey’s concerns without tying the hands of the department.

Lourey noted that the language from the original bill that allows application when the pesticide label does not prohibit an application that may result in human exposure is not found in the amendment. She moved to re-include it.

Paul Liemandt, from the Department of Agriculture, said the deletion of the language is meaningless. Federal and state law, he said, already requires pesticide to be used in conformity with current law. He said the language in the original bill was just reiterating that requirement anyway. Murphy said that current law already covers Lourey’s concern. He also said that there are measures that can be taken if people violate the law.

“It can get pretty severe,” he said, “and [pesticide applicators] know that.”

Nevertheless, Lourey said she would rather keep the language in as an added reminder. Her motion to reinstate the language, however, was defeated.

Terry Ambroz, executive director of the Minnesota Agricultural Aircraft Association, testified regarding some concerns with the amendment. She said the new language in the amendment does

not allow mosquito and forest tent caterpillar spraying to take place. They are not classified, she said, as “invasive species.”

In response, Liemandt said that under a strict interpretation Ambroz is correct. The amendment, he said, is written in a limited manner. However, he said, that is not intended by the amendment. He said if pesticides are being applied under current law, spraying for mosquitos and forest tent caterpillars still can continue. The amendment was adopted. The bill was approved and re-referred to the Environment and Natural Resources Committee.

CONFERENCE COMMITTEES

Anti-terrorism

Amendments introduced

Members of the Anti-terrorism Conference Committee, chaired by Sen. Jane Ranum (DFL-Mpls.) and Rep. Rich Stanek (R-Maple Grove), considered several amendments to the bill at their meeting Wed., Apr. 24.

The amendments, said Ranum, are the product of conversations between a small number of conferees and professionals who deal with the issues involved. She said the measures are meant to be specific and clear, and are only to deal with terrorist related incidents. The bill, she said, is not an omnibus crime bill. The amendments were brought up for discussion only and were not voted on.

One of the amendments establishes penalties for individuals causing damage—with the intent of disrupting service—to the property of critical public service facilities, utilities and pipelines. The amendment allows employees of the facilities to detain individuals believed to be in violation of the provision if there is probable cause to do so. According to the measure, the person detained must be promptly informed of the purpose of the detention and may only be detained for a reasonable period of time. The amendment also provides penalties for individuals found trespassing on the grounds of a critical public service, utility or pipeline and requires that such facilities be posted for trespassing. The measure also allows employees to detain individuals believed to be in violation of the trespassing provision and specifies that employees are not civilly liable for any detention authorized and conducted in conformity with the provision.

John Stuart, state public defender, testified regarding the amendment. He said he had concerns that the criminal provisions would be too broad. However, he said the amendment is narrowly tailored. Specifically, he said he was pleased with the posting requirements in the trespassing provision because, he said, it is important that people know they shouldn’t be in certain areas.

“I think that’s an appropriate way to require posting,” he said.

However, Hilary Caliguiri, from the Office of the Attorney General, said the language regarding probable cause may be problematic. She said police officers know and understand what the term means, but security guards and other types of company employees do not. Requiring there to be probable cause, she said, raises the possibility of a civil suit if the probable cause is not found to be justified. She suggested changing the language to require a “reasonable suspicion” to detain someone instead. The phrase, she said, is less of a term of art and establishes a lower standard. She also said the phrase protects potential trespassers as much as needed.

Sen. Mee Moua (DFL-St. Paul) asked what the definitions of “promptly” and “reasonable period of time” were. Scott Hersey, from the Dakota County Attorney’s Office, said the term “reasonable” is used throughout current law. He said a judge makes the eventual determination whether something is reasonable or not. Regarding the use of the word “promptly,” Hersey also said that those involved in the drafting of the amendment didn’t want to specify a certain time period—like 1 or 2 hours. They wanted to avoid, he said, requiring a specific cut-off time. Phil Carruthers, from the Ramsey County Attorney’s Office and representing the County Attorneys Association, said the reasonableness of something is the subject of much discussion and litigation. He said using “reasonable”—instead of a specific length of time—makes sense in Minnesota because of the size of the state. In rural areas, he said, people may be far away from law enforcement personnel. As a result, he said it is reasonable to assume that it will take much longer for law enforcement to become involved in a situation in a rural area than it will take in the Metropolitan Area.

Another amendment defined a crime committed to “further terrorism” as a felony crime involving violence to persons

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or property intended to “terrorize, intimidate or coerce a considerable number” of people in addition to the direct victims of the attack and to “significantly disrupt or interfere” with government, commerce or the right of assembly. The amendment makes the statutory maximum for a crime committed in the furtherance of terrorism 50 percent longer than the statutory maximum for the underlying crime. The measure also adds to the definition of first degree murder an act that causes death while involved in a crime to “further terrorism and the death occurs under circumstances manifesting an extreme indifference to life.”

Stuart supported the sentencing enhancement. He said the amendment was written so as not to be too broad. He also said the terrorism definition is written to

exclude dangerous crimes not meant to be classified as terrorism as well as stupid pranks.

“I think this has been carefully worked out and I think it is a good way to go,” he said.

Caligiuri said she was troubled by the use of the phrase “considerable number” of people in the definition of crimes committed in the furtherance of terrorism. She didn’t know, she said, how many people are included in a considerable number.

“I am concerned about that use of the term,” she said.

Members also looked at an amendment that defines biological agents, toxins, weapons of mass destruction and simulated weapons of mass destruction and provides penalties for their use. The measure also lists prohibited substances—such as

smallpox—that it is a crime to possess, manufacture, sell or buy. Caligiuri said she was troubled that the provision regarding prohibited substances only makes it a crime if the substances are in “levels dangerous to human life.” If a trace amount is found, she said, there would not be a crime at all.

“For that not to be a crime causes some concern,” she said.

However, Sen. Thomas Neville (R-Northfield) said he was not concerned about the language. The provision, he said, also specifies that it is a crime if there is “intent to cause injury to another.” If there is an intent to harm, he said, an individual can be prosecuted regardless of how much of a substance is discovered or used.



Senators Edward Oliver (R-Deephaven), left, and Martha Robertson (R-Minnetonka) converse on the Senate floor Thurs., May 2.

Photo by David J. Oakes

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Hersey said he was concerned that language in the provision relating to threats involving real or simulated weapons of mass destruction is too broad. Specifically, he pointed to language specifying that whoever commits an act that “causes the disruption of another’s activities” might pull in a number of situations that were not intended. Stuart also said the language is too broad. He said that using such language could make an incident directed at one individual fall under the provision. It sets up the possibility, he said, of including personal conflicts between two people that are not terrorist situations. He said it could even apply to an ex-spouse sending talcum powder—in an attempt to look like a dangerous substance—to another ex-spouse. Such incidents, he said, are not comparable to causing the evacuation of a building or to other incidents involving large numbers of people.

“I’m concerned it’s overly broad and could apply to individual conflicts between two people,” he said.

Rep. John Tuma (R-Northfield) said that in today’s world such incidents involve more than just one person. In the time after Sept. 11, he said, it was reported that a building was evacuated after someone sent a letter with white powder to their boss. Stuart, however, said that that incident falls under the provision anyway because large numbers of people were affected by the action.

Paul Liemandt, from the Minnesota Department of Agriculture, said he was concerned with two elements in the amendment. First, he said many fertilizers and pesticides that farmers use can be classified as weapons of mass destruction. Also, he said the measure, through a provision excusing individuals from civil liability if they can provide evidence that the conduct engaged in was in accordance with law, shifts the burden of proof to those involved in agriculture to prove they are using certain products for agricultural purposes only. He asked if the intent of the amendment was to shift the burden of proof to farmers. Ranum, however, said there must be an intent to cause injury for anyone to be prosecuted. With Ranum’s response, Liemandt said his concerns were alleviated.

Members considered another amendment that raises the jail sentence for making violent threats to terrorize another individual, causing evacuation of a place

or causing disruption of another’s activities from 5 years to 10 years. The amendment raises the fine for the threats from \$10,000 to \$20,000. The amendment also raises the jail sentence for people claiming a bomb threat—whether or not a bomb has actually been placed—from 3 to 10 years and the fine from \$3,000 to \$20,000. Discussion on the amendment was brief. Hersey said the penalty increases were appropriate.

Out of concern the language was too broad, members discussed changing the language dealing with “another’s activities” in each of the previous two amendments. The language considered deletes “another’s activities” and replaces it with “serious public inconvenience.” The language also changes each reference to “disruption” to “inconvenience.” However, members wanted to continue to think about the possible change and no motion was made regarding the new language.

Members also discussed the House proposal to color code the drivers’ licenses of non-resident foreigners. The proposal also links the expiration date of the licenses to the end of their legal stay in the United States.

Moua read from a letter written by Teresa Nelson, legal counsel for the Minnesota Civil Liberties Union. In the letter Nelson said it is the belief of the MNCLU that the provisions in the proposal “violate the equal protection clause of the 14th Amendment of the Constitution by singling out individuals based on their status as non-citizens.” If the provisions pass, she wrote, a federal lawsuit challenging their constitutionality would be considered.

Several people also testified regarding the proposal. In a letter to members, Bob Ernt, international human resources manager for Cargill, wrote that the company has 90,000 employees in 57 countries. He said that many Cargill employees from outside the United States travel to Minnesota for temporary work assignments using U.S. work permits. He said that when permits expire, extensions are filed. It is not uncommon, he said, for workers to be waiting for approval for the extension while their permit has already expired. Under the proposal, he wrote, such individuals could no longer hold Minnesota driving privileges. He also wrote that it is the company’s understanding that under the proposal, the drivers’ licenses of such individuals would incorrectly state the employee is out of

status and could be unnecessarily detained by police. The changes, he wrote, could affect Minnesota’s reputation as a state that welcomes international business.

Craig Peterson, from the University of Minnesota, said that visa expiration dates for foreign students and researchers change often. He said the plan could result in them being taken into custody when they have not violated their status at all. The University has approximately 3,500 foreign students and researchers. Also, Medtronic immigration attorney Michelle Miller described how a Sri Lankan electrical engineer for the company was stopped several times after Sept. 11 “because of the way he looked.”

However, several House members said the plan is meant to tighten the state’s identification system in order to stop foreign terrorists. It does not, they said, stigmatize foreign visitors. Tuma said the plan, originally proposed by the Department of Public Safety, is similar to measures already established or under consideration in other states. Rep. Steve Smith (R-Mound), said the plan is an effort to try to prevent the events of Sept. 11 from happening again.

Members also looked at an amendment dealing with open meeting laws. The measure allows a public body to hold a private meeting—by a majority vote in a public meeting—to discuss security matters. Under the proposal, the public body’s legal counsel must be present at any closed meeting, all decisions related to the closed meeting must be discussed and made at an open meeting, the proceedings must be recorded and written minutes must be taken. The recording must be kept for no less than 2 years and the minutes must be kept for no less than 10 years. Both may be destroyed in accordance with the record retention policy of the public body after the required time has expired. The measure expires June 30, 2005.

Members also discussed Capitol Security needs and qualifications for HAZMAT drivers. No action was taken on any of the matters discussed.

Emergency health powers

Bills compared

Members of the Emergency Health Powers Conference Committee, chaired by Sen. John Hottinger (DFL-Mankato) and Rep. Richard Mulder (R-Ivanhoe), gathered Mon., Apr. 22, to hear a side-by-



Senators Ann Rest (DFL-New Hope), left, and Deanna Wiener (DFL-Eagan) confer during the Thurs., May 2, floor session.

Photo by David J. Oakes

side comparison of the House and Senate bills. Brief public testimony was heard as well.

Senate Legislative Analyst Katie Cavanor and House Legislative Analyst Elisabeth Loehrke alternatively described the various provisions in the bills. While the House language refers specifically to incidents of bioterrorism throughout its proposal, said Cavanor, the Senate language refers to qualifying incidents as public health emergencies. She said the Senate plan grants the governor specific authority in a number of areas in the case of a public health emergency, including isolating stricken citizens and directing state personnel to respond to the emergency, while the House does not. Regarding a declaration of a peacetime emergency, Cavanor said, the Senate bill requires the governor and the commissioner of health to report to legislative

leadership about the possible public impact of a declaration. However, the House language only allows the governor to call a peacetime emergency when the Legislature is in session, or the governor calls the Legislature into session, she said.

The House and Senate proposals also differ on declarations due to bioterrorism. According to the bills, the House language requires the governor to consult with the commissioner of health and other public health officials before declaring an emergency due to bioterrorism, but the Senate language requires the governor to confer with the same officials only as needed before declaring a bioterrorism emergency. The House bill also contains a provision that makes a national security or peacetime emergency declared due to a bioterrorism event automatically terminate after 30 days and allows the Legislature to terminate an emergency at any time after

declaration. The termination would override any renewal by the governor, according to the House bill. Loehrke described another House-only provision that grants the governor the authority to ensure the safe disposal of dead bodies due to a bioterrorism event.

Cavanor said that both bills have provisions that state patients have a right to refuse medical treatment in the event of a public health emergency, but the commissioner of health has the right to quarantine patients who refuse treatment or examination. The difference between the bills, she said, is that the Senate bill directs health care providers to notify individuals of the right to refuse treatment.

The House bill, on the other hand, has several provisions related to the isolation and quarantine provisions, Cavanor said. Unlike current law, which allows the commissioner of health to determine rules

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pertaining to quarantined individuals, the House plan establishes due process requirements for the commissioner to follow, and requires the commissioner to obtain an ex parte court order authorizing isolation or quarantine except in certain circumstances, she said. According to the House proposal, quarantined individuals have the right to a court hearing to contest the quarantine order within 72 hours of receiving the request.

Other differences in the bills include provisions relating to a proposed study of emergency health powers issues, the sunset date of the bill and the effective date of the legislation.

Department of Health official Aggie Leitheiser said that in the event of a bioterrorism event, the department has broad powers, but an undefined role. “We welcome some process and procedures that will help define our role,” she said. Leitheiser said the current role of the department is focused on conveying information, education, and advice to the

public, but the department lacks clear authority.

Sen. Don Betzold (DFL-Fridley) asked Leitheiser what would be the reaction of the Department of Health in the case of a release of smallpox in a large public area like the Metrodome. Leitheiser said depending on the nature of the problem, the department wouldn’t necessarily hold people in the Metrodome. “Containment may not always be possible, or even effective,” she said.

Sen. Warren Limmer (R-Maple Grove) asked what would be done in response to a situation like the nerve gas attack in the Japanese subway several years ago. Leitheiser said the Department of Health efforts would be focused on triage, decontamination, and dealing with public anxiety. Department of Public Safety official John Kerr said the procedures that would be followed are similar to those established for a nuclear power plant accident.

Department of Health Commissioner Jan Malcolm said that the Senate version of the emergency health powers bill is more helpful. “In the beginning of a crisis, we won’t know what is the cause,” Malcolm said. “We need the ability to cast the net broadly at the beginning to identify the risks, then implement the appropriate prevention and control measures. I believe there are ways to achieve the specificity the House seeks with broader flexibility in the beginning.” Malcolm later emphasized that the powers granted by the legislation would only be invoked in extraordinary circumstances. “We are in a better position today to identify these issues,” she said.

Public testimony was given by Diane Miller, a representative from Minnesota Natural Health. Among her observations and objections to the proposed bills, Miller said she was troubled by the implications of the security language provisions. “For the first time in the state, when a peacetime emergency for



Having recently won the world championship in color guard competition, members of the Irondale High School color guard perform in front of the Capitol Mon., Apr. 22.

Photo by Shelley Hawes

bioterrorism is called, you will have the impact of martial law," she said.

Omnibus jobs bill

Language adopted

Members of the conference committee on S.F. 3431, the omnibus jobs bill, adopted several sections of similar and identical language during their meeting Fri., Apr. 19. House conferees also agreed to adopt several economic development provisions in the Senate version of the bill.

Among the Senate provisions adopted by conferees is language granting the Iron Range Resources and Rehabilitation Board (IRRRB) authority similar to authority already granted to the Dept. of Trade and Economic Development (DTED) for trade promotion. The measure allows the commissioner of the IRRRB to spend taconite tax receipts dedicated to the IRRRB in the promotion of tourism, trade and development. Rep. Anthony "Tony" Sertich (DFL-Chisholm) said the authority will allow the IRRRB to become less reliant on state agencies to bring prospective employers to the Iron Range.

Conferees also agreed to increase the maximum value of a microenterprise loan to \$25,000 from \$10,000. Sen. Ellen Anderson (DFL-St. Paul), committee co-chair, said the provision is essentially inflationary and allows the loans to meet the realistic needs of business development. Two other provisions—repealing annexation authority given to the city of Chisago and allowing for waivers for cost allocation limitations—were also adopted.

A major concession made by the House was to accept the temporary increase in the unemployment insurance base tax rate to 0.38 percent during 2003. Committee co-chair Rep. Dan McElroy (R-Burnsville) said the House considers a temporary increase in the rate as good public policy because of specific circumstances relating to the receipt of federal money. He said the business community agrees with the temporary increase because businesses will save money in the long-term. Without the one-year increase the unemployment insurance fund would risk a situation requiring borrowing federal money, according to state agencies and legislative staff. By temporarily increasing the rate, the fund will not have to borrow money and businesses will not have to pay the interest on the loans, McElroy said.

Members also discussed proposed ergonomics standards offered in the Senate version of the bill. Commissioner of the Dept. of Labor and Industry Shirley Chase said the department is not in favor of the ergonomics language in S.F. 3431, but does promote doing something about ergonomics. About 40 percent of work-related injuries, Chase said, are related to musculoskeletal disorders (MSDs). "For my opinion, it doesn't have to be an all-or-nothing approach," she said. Chase said the current workplace accident and injury reduction (AWAIR) program allows the department to work with employers and safety groups. She said results can be more quickly achieved without the statutory requirements for standards in the Senate bill. McElroy said that a non-statutory solution may be a simpler one. Brad Lehto, representing the AFL-CIO, said his organization wants a seat at the table if any task forces are created to consider ergonomics rules and MSDs. Ergonomics are a major issue for all employees, regardless of union status, he said. "We do have a strong feeling about whether something is called a guideline or a standard, regulation or rule," Lehto said. The last three terms have an OSHA enforcement mechanism, he said. Most businesses are very good and will work with safety groups, Lehto said, but there are always some bad actors that laws must address.

Conferees briefly discussed the long-term future of the dislocated worker and youthbuild programs. However, they agreed to save detailed discussions about the programs and proposed policies for future meetings.

Mesaba agreement reached

Members of the conference committee on S.F. 3431 met Tues., Apr. 23, to adopt an agreement reached on proposed language regarding siting a power generation facility in Northeastern Minnesota. Sen. James Metzen (DFL-South St. Paul) said there had been hours of discussion about the proposed Mesaba Energy Project. "We've agreed on some study language which hopefully will get the door open for the group in Washington, D.C.," Metzen said. The project's goal is to build a coal gasification powerplant on the site of an old LTV mining operation.

Rep. Ken Wolf (R-Burnsville), who worked with Metzen on the language, said "I have to tell you, the Senate moved an awful lot on this." The result, he said, is

that no moratorium will be placed on Xcel Energy's ability to seek competitive bids for new power. "I've always had a real problem interfering with that process," Wolf said. The agreement also, he said, states that the Legislature encourages the project to seek, and receive, grant funds for coal gasification. "We're trying to do as much as possible to keep this project alive without putting it into law," Wolf said.

On behalf of Xcel Energy, Carl Lehman said the company is happy to stipulate it will not initiate the bidding process before April 2003 unless there is a major power malfunction or a previously accepted bid falls through. He said the company's participation in the agreement was conditioned on a statement from Excelsior Energy, which is developing the proposed plant, that it will not seek a Legislative mandate that Xcel must buy power from the Mesaba plant.

Everyone has an interest in the project, said Rep. Dan McElroy (R-Burnsville), committee co-chair. "There are economic development aspects to this issue," he said, that extend beyond the Iron Range. He said the project meets three of four criteria he uses to consider power generation issues: it offers good paying jobs, increases property tax receipts to the state and addresses major environmental concerns by being in Minnesota. McElroy said he has more faith in Minnesota's environmental regulations and regulators than those in other states. The fourth criterion, which McElroy said the project does not fully address, is the problem of power transmission. The project does not decrease the cost or distance of transmitting generated electricity to the region demanding it.

Conferees then turned to discussion of an offer made on behalf of the Senate by Sen. Ellen Anderson (DFL-St. Paul). Anderson, committee co-chair, said the offer addressed two main issues: revenue for various funds and unemployment benefits. "We appreciate that we've made progress so far," Anderson said, on the revenue side. She said the Senate is concerned about the Dislocated Worker Fund, because more money is needed to sustain the fund through 2003. The Senate conceded to the House position on the Workforce Development Fund, Anderson said, by halving the Senate request for a fee increase for the development fund.

On the benefits side, Anderson said, the Senate is offering its original position

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because the Senate conferees “have not found a fair and equitable way to resolve the issues differently.” She said she, and others, do not understand why it is okay to extend benefits for Fingerhut employees, for example, in St. Cloud but not in the Metropolitan Area. More confusing, she said, is that the House and Senate do agree on offering an extension to airline employees in the Metro Area. Anderson said the Senate position comes out of a need to respond to the unique circumstance the state is in after the devastation wrecked on the state’s economy by the terrorist attacks and the recession. “We don’t think this is a precedent because the circumstances will not be repeated,” she said.

Anderson concluded the offer by moving the Senate positions on various other issues, including ergonomics, background checks and unpaid leave for foster parents.

McElroy said that no state in the nation has done what the Legislature is proposing to do for displaced workers. While the benefit extension may not set a precedent, he said, it will create an expectation for the future. In 75 years of unemployment benefits provided by the state, there have been only 9 extensions of those benefits, McElroy said. Of those 9, only 2 were for 26 weeks and none were in the Metro Area. “We cannot move to a place where a year of benefits is the birthright,” he said. Further, he said, the House does not believe that Fingerhut workers in an area of low unemployment with a large job market—such as the Metro Area—have the same needs as workers in a smaller job market with a high unemployment rate. The Senate position, according to McElroy, will create a dramatic increase in the cost of benefits, which will be paid by employers.

The airline industry extension obviously met some criteria for the House to include it in its bill, Sen. David Johnson (DFL-Bloomington) said. The Senate approached the airline workers extension by trying to address the terrorist attacks, he said. That situation does not fit neatly into any set of criteria, he said. I share your concern regarding the cost to the system, Johnson said, but Sept. 11 demands a response. He said the solution must then focus on the unique circumstances created last fall. If extensions continue to exclude the Metro Area, he said, it will be hard for Metro Area Legislators to justify to their

constituents that they should pay for job loss in Greater Minnesota. Anderson agreed, saying it wasn’t fair to people in the Metro Area who were laid off. “It is very difficult to tell people in our communities that people in Greater Minnesota need help and extra time but you don’t,” she said. Anderson also said the broader extension proposed by the Senate will not break the bank of the funds.

McElroy said his concern is not the short-term cost of the extensions, but the long-term cost. “When do we stop?” he asked. The cost of the program, McElroy said, may increase by up to 60 percent. He said that Sept. 11 was unprecedented, but the recession was not. “We will have recessions again,” McElroy said.

Members also discussed proposed language regarding the use of youthbuild programs in state-funded construction projects, especially for early childhood education facilities. Rep. Barb Sykora (R-Excelsior) said that youthbuild programs, which use adolescents on construction projects and teach the youths workplace skills, are not available statewide but that the need for more early childhood education facilities is statewide in scope. Sykora said that using youthbuild can also place huge limits on a project because of insurance concerns and the need to find suitable work for the youths. Adding social programs and goals, she said, does not achieve the central goal of building a much-needed facility. Patrick McFarland, Anoka County Community Action Program, said a facility in his region was one of the first youthbuild projects in the state. Ultimately, he said, the project had to become two projects: the original plan and an additional project undertaken solely for the youthbuild workers and only to meet state guidelines requiring youthbuild. “While [the youthbuild project] was a nice project,” he said, “it wasn’t as appropriate as it should have been.”

Allen Selinski, representing Guadalupe Alternative Programs in St. Paul, said that many factors feed into the success of youthbuild. The only way to continue the program, he said, is to get projects for the youths. Many students that were involved in youthbuild, according to Selinski, go on to get union construction jobs and pay more in taxes than the program costs. He said that some unions have come to his group looking for help at work sites and a group of youths that are

willing to learn the trades. Selinski was joined by alumni of his youthbuild program, including Greg Mason. “Youthbuild gave me hope,” Mason said. “When you look at me, you could see 100 of me, you could see 1,000 of me,” he said, “but youthbuild gave me the resources to change my life, it was not just something to show up to.” Conferees set aside the youthbuild issue for further consideration.

Elements of offer accepted

Conferees adopted four elements of a House offer on the omnibus jobs bill during a meeting of the conference committee on S.F. 3431, co-chaired by Sen. Ellen Anderson (DFL-St. Paul) and Rep. Dan McElroy (R-Burnsville). McElroy began the Fri., Apr. 26, meeting by presenting the House offer, consisting of 13 elements.

Under the offer, conferees accept identical language on redevelopment grants and language, negotiated by Sen. James Metzen (DFL-South St. Paul) and Rep. Ken Wolf (R-Burnsville), relating to a proposed energy project in Northeastern Minnesota. The offer also includes the House receding from a requirement that political subdivisions and state agencies consult with the Department of Trade and Economic Development before submitting a capital project request to the governor, if the Senate recedes from a requirement that the Department of Labor and Industry adopt ergonomics standards. The House offer also accepts a previous Senate offer on findings for funding the Dislocated Worker Program with language that insures adequate revenues for the program.

The House offer also clarifies a previous agreement regarding a temporary increase in the unemployment tax rate for 2003. McElroy said the House had agreed to the increase to 0.38 percent with the understanding that the Senate conferees would accept the House position on making no changes to statutes regarding unemployment insurance eligibility and the taxable wage base.

Negotiated language regarding appropriations for wastewater treatment projects and increasing the bonding authority for such projects to \$1 million is also accepted in the offer. The offer also leaves the workforce enhancement fee in place, with the expectation that additional funding for workforce development will be provided through transfers from other funds. The offer accepts a Senate position



Senators Steve Kelley (DFL-Hopkins), left, and Warren Limmer (R-Maple Grove) talk legislative strategy on the floor of the Senate during the Thurs., May 2, floor session.

Photo by David J. Oakes

on wage credits earned by school food service employees. However, the offer provides that the provision sunsets at the end of 2004.

Several Senate provisions were rejected by the House offer. Under the

offer, an applicant who does not qualify for federal unemployment benefits will not receive temporary state benefits. Foster parents, under the offer, will not receive unpaid leave benefits for school conferences and activities. The offer does not

provide for redevelopment funds to be used for purchasing a brownfield site in the Metropolitan Area to house an armory. Under the offer, employers will not be prohibited from requiring employees or prospective employees to pay for background checks. Language regarding requirements for the use of youthbuild programs in the construction of state-funded early childhood education facilities is left to be negotiated in the bonding conference committee, under the offer.

After a brief recess, Anderson said Senate conferees had considered the offer and were willing to accept four points. The panel voted on, and adopted, the identical language on redevelopment grants, the Mesaba energy project language and the wastewater treatment provisions. The conferees also adopted the provision on food service employee wage credits.

McElroy said that several issues still to be resolved, that also hadn't been addressed in the House offer, included unemployment benefit extensions, fund transfers to the Workforce Development Fund and the ability of the Dept. of Labor and Industry to get taxpayer identity information from the Dept. of Revenue.

Floor update

Thursday, April 18

Agriculture provisions debated

Members engaged in spirited debate regarding several provisions related to the omnibus agriculture bill during the Thurs., Apr. 18 floor session. The bill, H.F. 3183, was carried by Sen. Steve Murphy (DFL-Red Wing).

The first amendment under consideration was brought forth by Sen. Steve Dille (R-Dassel). Dille said the amendment, which has the support of the Department of Natural Resources (DNR), but not cervidae farmers, deals primarily with chronic wasting disease in wild cervidae. In the amendment, importing cervidae with wasting disease or from an identified wasting-disease area is prohibited and farmers are authorized to destroy wild cervidae that enter cervidae farms. Dille also said the amendment pertains to all cervidae, not just red deer.

Sen. Jane Krentz (DFL-May Township) offered an amendment to the amendment that deletes a line allowing the DNR to study cervidae harvesting,

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The Capitol Rotunda provided a venue for the kickoff to National Volunteer Week in Minnesota Mon., Apr. 22.

Photo by Shelley Hawes

because she said she feared it will lead to authorizing farmed cervidae shooting that have been rejected by the Senate in the past. Dille said it was an infringement on free speech to tell the DNR that they can't even think about a certain issue. Dille said the language in his amendment allows the DNR to think about the issue in a broad way. The Krentz amendment failed.

Sen. Becky Lourey (DFL-Kerrick) offered an amendment that constrains the proposed DNR study that includes interest in cervidae harvest. Lourey proposed language that restricts the study to the harvest of wild cervidae, drawing the distinction between wild and enclosed animals. The Lourey amendment failed as well.

Krentz offered another amendment that places the plant Grecian foxglove on the secondary noxious weed list. Krentz said the amendment only impacts Washington County because it is the only place in the state the weed has been found.

An amendment that exempts livestock producers from contamination caused by an Act of God and creates

additional exemptions in an ongoing ban on outdoor swine basins was brought forth by Sen. Kenric Scheevel (R-Preston). The first section of the amendment exempts hog farmers from water contamination caused by manure runoff directly related to extreme environmental conditions, such as heavy rainfall or flooding, Scheevel said.

Sen. Ellen Anderson (DFL-St. Paul) objected to the first part of the amendment because it creates a loophole in the protection of public waters. "The amendment says that if you have runoff from fields that kills wild animals, you aren't responsible," she said. "The clear intent of the amendment is to take authority away from the DNR and the attorney general to abate a nuisance of manure runoff that is killing fish."

Lourey read a letter from Attorney General Mike Hatch opposing the amendment. Lourey said Scheevel's amendment should have received a hearing in the Judiciary Committee. Scheevel replied that the amendment simply reinforces existing statutes and creates consistency between agencies.

Murphy pointed out that the DNR and the Pollution Control Agency (MPCA) don't have a problem with the amendment, and requested the two sections of the amendment be voted on separately.

Sen. Keith Langseth (DFL-Glyndon) said the amendment is a common-sense approach. "Overly restrictive regulation is hastening the decline of hog farmers in the state," he said. However, Krentz opposed the amendment, saying the amendment creates an absolute exemption when the burden of proof of responsibility should be on the polluter. Sen. John Marty (DFL-Roseville) echoed Lourey's earlier observation that the measure is within the territory of the Judiciary Committee.

Scheevel emphasized that the amendment only protects farmers who are correctly following procedures. "The confusion among people who attack this amendment is because they haven't done their homework. It's fear mongering," he said. Sen. Steve Kelley (DFL-Hopkins) questioned if the current statutes have ever been used in a way that has been detrimental to farmers. "I don't think there's been a

real case where a farmer has been penalized," Kelley said. Scheevel replied that there was an event where a farmer was cleared of responsibility from contamination caused by manure runoff by the MPCA, but not the DNR.

"That is the disparity I am trying to address," Scheevel said. "If one agency creates an exemption, it is unfair for another agency to continue to prosecute. The intent is not to create exemptions, but to create consistency."

The first section of the Scheevel amendment was adopted.

The second half of the amendment, according to Scheevel, continues a ban on open-air lagoons except in two specific categories. Krentz offered an amendment that maintains current restrictions on hog farmers regarding the open-air lagoons, but Scheevel replied the amendment represents consensus language from the Generic Environmental Impact Statement (GEIS) on Animal Agriculture. The Krentz amendment failed.

Lourey brought forth another amendment to the amendment that restricts the size of the exempted agriculture drainage basins to 100,000 gallons. "It's ridiculous to start having open-air lagoons again after they've been banned for five years," she said. Lourey's motion was rejected. The second half of the Scheevel amendment was adopted.

Sen. Jane Krentz (DFL-May Township) offered an amendment requiring the commissioner of agriculture to prepare a report for the Legislature on nontherapeutic antimicrobial use in animal agriculture in Minnesota. Krentz said it costs the United States \$6 billion each year to deal with resistant bacterial infections. The goal of the report, she said, is to protect human health in the state.

"This issue is important," she said, "and not acting can be very expensive." By a vote of 35 to 20, the amendment was adopted.

Sen. Becky Lourey (DFL-Kerrick) presented an amendment requiring commercial and noncommercial applicators of pesticide to file records regarding their use of pesticides at least twice each year. Under the amendment, the records are to be public, except for the names and addresses of the customers in the records. Lourey said others involved in agriculture, such as beekeepers, need to know where and which pesticides are sprayed. Bees, she said, die when exposed to certain pesti-

cides. She said that bees are beginning to die in Minnesota, but beekeepers are not able to locate where pesticides are being sprayed.

"There is a real importance on the need to know," she said.

Sen. Steve Murphy (DFL-Red Wing) said he understood the plight of the beekeepers. However, he said he did not agree with the method used in the amendment to help them. There will be a great amount of records, he said, if everyone who uses pesticides must report their use. He said it will be extremely expensive for the Department of Agriculture to comply with the amendment. The department, he said, obviously does not have the funds that are necessary. Sen. Steve Dille (R-Dassel) agreed with Murphy. He said the amendment is too expensive. He also said the department is working with the beekeepers on an individual basis regarding ways to solve the problem.

"This is an expensive deal, and it is so expensive, I think we have to defeat it at this time," Dille said.

Pointing to the language of the amendment, Lourey said the measure is not effective until 2004. It is also contingent, she said, on the availability of funds necessary to implement the measure. She said the amendment allows the Legislature to move forward with the debate on how to fund the program. She said pesticide users, under current law, must already keep records regarding pesticide use. The amendment, she said, just requires them to file the records. Lourey said it isn't good for agriculture if too many bees die and there is no pollination of plants. She also said if bees were the size of cows and continued to die in the same numbers, the state would be in an "absolute crisis."

"This is expensive," she said, "but not as expensive as losing our bees."

Murphy raised a point of order regarding the amendment. According to Senate rules, he said, there must be a way to pay for any measure brought up. However, he said, the amendment deals with a budget that has already been passed by the Senate.

Lourey said the amendment has no effect on the 2002-03 budget. It is also, she said, contingent on the availability of funds.

"Nothing happens if we don't raise the revenue," she said.

However, Sen. Dave Kleis (R-St. Cloud) said the rule also affects the out-

years of a budget. Sen. James Metzen (DFL-South St. Paul), presiding, ruled that the amendment was out of order.

Sen. Ellen Anderson (DFL-St. Paul) offered an amendment to move the responsibility for monitoring groundwater pollution from the Department of Agriculture to the Department of Health. She said the committee under the Department of Agriculture formed in the past to deal with the detection of pollutants in the groundwater has included too many parties—such as pesticide producers—who have a conflict of interest regarding the issue. Rules regarding groundwater pollution, she said, have been poorly enforced.

Murphy raised a point of order with the amendment. He said he doubted that the Department of Health has the resources to take over the responsibilities, and nowhere in the amendment are funds transferred to the department. Anderson said the Department of Administration is neutral on the measure. Also, Krentz said the Health Department has expressed an interest in taking over the responsibilities. They have stated, she said, that they can take over the responsibilities through an interagency transfer. Metzen said the point of order was not well taken.

Regarding the amendment itself, Murphy said that employees of the Agriculture Department are well accepted by farmers. Others, he said, might not be so well accepted. He said the Agriculture Department is doing the best it can with the resources that have been made available. Also, he said it is absurd if the Department of Health thinks it can do a better job with the same resources.

"What we have going on right now is not only farmer friendly, but it is friendly to the environment," he said.

Sen. Jane Ranum (DFL-Mpls.) said that people with a little different perspective may be able to see if there are problems. She said the issue is a health issue and not just a farm issue. Anderson said it is wrong if anyone is suggesting the Department of Health cannot be trusted to be fair. The amendment failed by a vote of 24 to 34. By a vote of 41 to 16, the bill was approved.

In other action, a resolution was passed that recognized the 2002 NCAA National Championship men's hockey and wrestling teams from the University of Minnesota.

Two bills received concurrence and repassage from members. S.F. 2460,

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authored by Sen. Dave Kleis (R-St. Cloud), creates civil liabilities for those claiming responsibility for criminal activity. H.F. 2473, carried by Sen. Jane Ranum (DFL-Mpls.), codifies that an organ donation designation on an individual's driver's license represents a clear signal of intent to donate. The only change by the House, Ranum said, was to name the bill after the late Rep. Darlene Luther (DFL-Brooklyn Park).

Monday, April 22

Fireworks bill okayed

The Mon., Apr. 22, floor session was dominated by a series of extraordinarily close votes on a variety of issues. Members narrowly approved a conference committee report on S.F. 2960 that allows the sale of non-aerial, non-explosive fireworks. According to chief author, Sen. Debbie Johnson (R-Ham Lake), the measure

authorizes the sale of sparklers and other fireworks novelty items. Debbie Johnson also explained that the bill, which originally contained provisions allowing volunteer firefighters to take unpaid leave when engaged in firefighting duties, was amended by the conference committee to remove the volunteer firefighter language. She said that a number of fire chiefs had appeared before the conference committee and expressed concerns that the measure would damage the relationships between employers and volunteer firefighters.

Most of the debate on the measure centered on the fireworks provisions. Sen. David Johnson (DFL-Bloomington) said he had three concerns with the bill. First, he said, the measure allows year-round sale of fireworks. Surrounding states limit the sale to the time around the Fourth of July holiday, he said. In addition, David Johnson said the measure allows anyone to sell the fireworks, while other states

regulate the sale more carefully. Finally, David Johnson said that the bill does not have a clear enough definition of fireworks.

Sen. David Tomassoni (DFL-Chisholm) spoke in support of the measure. Tomassoni said the bill does not allow the sale of all fireworks, just those that are non-aerial and non-explosive. "It is disingenuous to act like fireworks don't exist in Minnesota. For the last 60 years, Minnesotans have crossed borders into other states to purchase fireworks. We are just trying to make a few of those items legal so that we don't make our citizens criminals when using sparklers."

The bill was repassed on a vote of 34-30.

Members narrowly defeated a motion to adopt House amendments to a bill that would result in the repeal of the Profile in Learning. The amendments were attached to a bill, S.F. 3133, that requires legislative



Members of the New Ulm Battery fire their cannon in front of the Capitol Wed., May 1, as part of the annual celebration of "Freedom Fest."

Photo by Shelley Hawes

approval before the commissioner of health adopts certain rules to the Minnesota Clean Indoor Air Act. The bill's sponsor, Sen. Dan Stevens (R-Mora), urged members to concur with the House amendments to the bill and re-pass the measure. Stevens said, "Normally, I would not attempt to concur with an amendment of this magnitude, but the Profile has not demonstrated what the Legislature intended and needs to be repealed or significantly changed. I think the Profile has been a failure."

Without debate, the Senate proceeded to vote on the motion to concur. Because several members had been excused from the session, the voting board was held open until those members arrived in the chamber. After nearly an hour, the motion to concur was defeated on a 33-33 vote.

In other action, the Senate also adopted the conference committee report on the omnibus game and fish bill. S.F. 2674, authored by Sen. Jane Krentz (DFL-May Township), makes numerous changes in the laws relating to hunting and fishing. Krentz said one of the major changes in the bill made by the conference committee was to provide for a motorized trail study to review, advise and provide recommendations on the use of off-highway vehicles on state forest lands. The language providing for the study replaces Senate language limiting the use of ATVs on state forest lands. The bill was re-passed 60-0.

Members also granted final passage to one bill on the Special Orders Calendar. S.F. 1755, authored by Sen. LeRoy Stumpf (DFL-Thief River Falls), establishes a committee to gather information and make recommendations for the design of a school employee health insurance plan. Stumpf said the goal of the study is to find ways to reduce the costs of health care coverage for school employees throughout the state.

Sen. Mady Reiter (R-Shoreview) offered an amendment to reduce the appropriation and change the focus of the study to proposing methods of increasing the number of health insurers operating in Minnesota for the purpose of fostering competition and improving availability and affordability of health insurance products. Reiter said, "The problem is that we don't have enough for-profit companies in the market. The amendment studies ways to invite more companies into Minnesota. We have got to solve the

problem before we become a single payer state."

Sen. Michele Bachmann (R-Stillwater) supported the amendment and said, "It is imperative that we pass the amendment because of the damage done by the underlying bill, which advocates a state run monopoly. We need to get rid of all these mandates and let the free market work. We can always count on the free market to do the right thing."

Sen. Linda Berglin (DFL-Mpls.) countered and said, "Let's have a proper perspective on this. The districts have come to us to ask for help in providing them with a little more clout in the marketplace. This is not a big government solution."

Sen. Linda Higgins (DFL-Mpls.) and Sen. Steve Murphy (DFL-Red Wing) both spoke against the amendment and said that the underlying bill was for a study and not an attempt to eliminate private companies in the state.

The amendment failed on a vote of 15-50. The bill was granted final passage on a vote of 46-15.

Thursday, April 25

Pledge bill resurrected, okayed

Members returned to consideration of a bill that requires the Pledge of Allegiance be recited on a weekly basis in public and charter schools. H.F. 2598, which had been progressed for more than a month, gained final passage during the floor session Thurs., Apr. 25. Authored by Sen. Mady Reiter (R-Shoreview), the bill also mandates schools to include weekly civics education, discuss the history of the Pledge with students and teach flag etiquette. The measure also allows school districts to waive the requirement by majority vote of the school board.

During previous consideration of the bill, Sen. Mee Moua (DFL-St. Paul) offered an amendment requiring teachers or others who lead the Pledge recital to read a statement, once every quarter, saying that those who choose not to recite the Pledge should not be considered unpatriotic, but may have convictions preventing them from joining in recitation. After the amendment was adopted, H.F. 2598 was set aside for further consideration.

When the bill returned for consideration, Moua offered an amendment

deleting her previous amendment and inserting language that did not require the quarterly statement. The new amendment requires schools to have a discussion with students, at the beginning of every school year, about the history of the Pledge and reasons for reciting it. The Pledge leader must also discuss with students, under the amendment, that persons may choose not to recite the Pledge and should not be considered unpatriotic for making that choice.

Moua said she was offering the amendment on behalf of the American Legion and Veterans of Foreign Wars (VFW). She offered her earlier amendment, she said, because of legitimate concerns that children and individuals who opt out of recitation will be tainted for exercising their rights. In the six weeks since the previous debate, Moua said, "to some people, I have become the anti-Pledge of Allegiance queen." She said she has always been proud of America's veterans, even though several letter writers have questioned her own patriotism. Moua shared with Senators letters she has received on her amendment. Among the letters was one questioning what religious convictions a person could have that would prevent Pledge recitation and calling on Moua to resign. Another said, "I absolutely believe that those who choose not to say the Pledge are unpatriotic."

"I can safely say that the veterans I know wouldn't say these kinds of things," Moua said. She said her new amendment avoids the required statement in favor of creating a teaching moment centered around the Pledge and patriotism.

Sen. Deanna Wiener (DFL-Eagan) said people who do not want to have a civil discussion about mandating the Pledge "miss the point of what we do in the Senate." After the previous debate, Wiener said, a representative of the American Legion wanted to know what could be done to make the Pledge bill become law. After arranging discussions between major players, including the Legion, VFW and Moua, the language in Moua's new amendment was agreed upon. In fact, Wiener said, a Legion governing body passed the amendment as language that it would support as part of the bill.

"It is not in the province of the state to make editorial judgments," said Sen. Michele Bachmann (R-Stillwater). She said the original Moua amendment, containing the disclaimer, worried her

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because it was a warning signal that seemed similar to the warnings on alcohol and cigarettes. She said the new amendment is good because it creates discussion; however, it still contains the editorial comment. Bachmann offered an amendment to the amendment striking language requiring the Pledge leader to tell students that persons who do not say the Pledge are not unpatriotic.

Sen. Don Betzold (DFL-Fridley) said the statement is not political. "Students should be aware that we're not testing patriotism by whether you say the Pledge or not," he said. Reiter said a major agreement had been reached on the bill, which would include the language in the Moua amendment, and she thought both caucuses and the groups involved had agreed to pass a Pledge bill containing the amendment.

Bachmann said she had spoken with a local Legion commander recently and he had expressed concern regarding any warnings attached to the Pledge bill. She said the Legion commander said his group's goal was to get all students to say the Pledge regularly. Bachmann withdrew her amendment and offered a different amendment that said students will not be penalized for opting out of recitation.

Sen. Steve Kelley (DFL-Hopkins) said the U.S. Supreme Court had already ruled that students cannot be penalized for not saying the Pledge. The question here, he said, is whether students who do not say the Pledge should be treated as unpatriotic. Even members of the Legislature who question the wisdom of a mandate are called unpatriotic, Kelley said. "What will happen to a schoolkid who doesn't go along with the rest of the class?" he asked. The courts have ruled that students cannot be penalized, Kelley said, now the question is if they can be stigmatized.

On voice votes, the Bachmann amendment to the amendment was rejected and the Moua amendment was adopted.

Speaking on the bill as a whole, Sen. Leo Foley (DFL-Coon Rapids) said he supports the American Legion, has been a Legion member for over 40 years and is proud of his service in the military. However, he said, he cannot support the bill. He said many other veterans—including former U.S. Sen. Bob Kerrey (D-Neb.), who was awarded a Congressional Medal of Honor in 1970 for his service as a Navy SEAL in Vietnam—oppose legisla-

tion mandating recitation of the Pledge. What Legislators forget, Foley said, is that when someone does not join in recitation, the consequences can extend beyond the classroom. He said students may be bullied for exercising their rights. Foley also said that many schools have students moving into the district and classroom during the middle of the year, which would mean the new students have missed the opening discussion about the Pledge.

Sen. John Marty (DFL-Roseville) said Pledge recitation is a very divisive issue that will now reach into local schools, if the bill is passed. It is important to remember what was in the letters Moua read, he said. There are plenty of people who will question others' patriotism, Marty said. If they will question a Legislator, he said, imagine what they will do to children. Marty related an incident that happened several years ago after a debate on a different flag-related issue. He said a group came into his office and took away his American flag, which he had kept on display since taking office. "Somehow, I wasn't their kind of patriot because I didn't agree with them politically," Marty said. He also said the worst thing the Senate can do is mandate patriotism. "The best way to teach any value is not by mandating it but by teaching them through example," he said. The reality is that people—Legislators, teachers and children—will be stigmatized for exercising their rights, Marty said.

Speaking in favor of the bill, Sen. Dean Johnson (DFL-Willmar) said saying the pledge unites people. "I see the Pledge of Allegiance as bringing about a common purpose," he said. "We ought to approach it as a matter of our values," Johnson said, "and pass those values onto our children—a commonality." He said he understands the opposition to mandates, to forcing children to do something, but he said the Pledge mandate does not impose a state religion but creates a structure of traditional values to begin the day. Reiter said the bill goes a long way in allowing children to learn American history, especially in the wake of the Sept. 11 terrorist attacks.

H.F. 2598 was granted final passage, 54-8.

In other business, members also referred legislation to conference committees, appointed members of conference committees and adopted several conference committee reports and repassed the bills. H.F. 2618, carried by Sen. David

Knutson (R-Burnsville), regulates the dissemination of data between schools, law enforcement and the juvenile justice system. Sen. LeRoy Stumpf (DFL-Thief River Falls) sponsored H.F. 2970, which authorizes counties to raise snowmobile limits on certain lakes. S.F. 2363, authored by Sen. David Johnson (DFL-Bloomington), limits the use of credit information, including credit scoring. Sen. Dan Stevens (R-Mora) carried S.F. 3168, which provides for a bidding exception for water tank service contracts and authorizes an agreement for the city of Walker to maintain and operate the state's water tower at Ah-Gwah-Ching.

Monday, April 29

Hennepin County bill repassed

During a short session Mon., Apr. 29, members of the Senate granted concurrence and re-passage to one bill amended and passed by the House.

S.F. 2568, carried by Sen. Ann Rest (DFL-New Hope), removes from current law provisions that prohibit Hennepin County from leasing real property for more than five years and from building more than one off-street parking facility in Minneapolis. The bill also requires the city council of the city in which any additional parking facilities are to be located to approve of any new facilities that are not specifically acquired or bettered in conjunction with or primarily to serve any county public buildings for county purposes. The terms of the bill are effective after local approval is given by the Hennepin County Board and its chief clerical officer.

Thursday, May 2

Transportation policy okayed

The Thurs., May 2, floor session was devoted primarily to adoption of conference committee reports, concurrence and repassage of Senate bills amended by the other body, and the consideration of one bill on Special Orders.

Sen. Dean Johnson (DFL-Willmar) described the conference committee report of S.F. 3298 and recommended that members accept the 41 provisions contained in the transportation policy bill. Among the major provisions Johnson described, the bill limits excessive bus idling near schools, authorizes agricultural-

based de-icing solutions on state roads when feasible, authorizes the purchase of right-of-way for future trunk highway construction, authorizes advance funding for existing trunk highway projects related to interregional corridors and bottlenecks and allows certain non-transit buses to drive on highway shoulders during congestion.

Other items include limits on peace officers' authority to perform spot inspections on motor carriers who have undergone an inspection in the previous 90 days, to force trucks to weigh scales, and to force certain overweight vehicles to unload.

The bill also incorporates motorcycle parking regulations, authorization for the commissioner to cancel a school bus driver's endorsement if the driver is found to be a risk to public safety, and the department's ability to use previous inspection records to reduce the number of motor carrier inspections.

Johnson said an important provision is one that exempts certain road projects from the recent statewide moratorium on outside consultant contracts.

Sen. Jane Ranum (DFL-Mpls.) objected to a provision that creates a technical advisory group to study how the environmental review process for road construction could be streamlined. "The only objective of this technical advisory group is getting a project done without listening to legitimate concerns about the impact of highway construction on water flow," Ranum said. Johnson replied that groups representing water concerns are included in the advisory group and that the advisory group lacks the power to directly change policy.

Sen. LeRoy Stumpf (DFL-Thief River Falls) inquired about the status of several projects that were contained in the bill before it went to conference committee. Johnson said all projects that require money will be considered in the transportation funding bill and assured Stumpf that Senate members remain committed to all of the projects.

The conference committee report for S.F. 3298 was adopted and repassed.

Members also adopted and repassed a conference committee report for a bill that modifies certain campaign finance and ethics reform provisions.

Sen. John Hottinger (DFL-Mankato), author of S.F. 3384, said the bill removes limitations on contributions from a

dissolving campaign committee, authorizes funds from a dissolving campaign committee that are not accepted by another committee be directed to the state elections campaign fund, and decreases penalties for many campaign finance violations from a gross misdemeanor to a misdemeanor and reduces fines from \$3,000 to \$1,000.

Sen. John Marty (DFL-Roseville) moved to reject the conference committee report and refer the bill back to the conference committee.

"This is not just a technical bill," Marty said. "Across the board, we are weakening the penalties for campaign finance violations. When things are clearly fraud, we are removing all criminal penalties."

Hottinger said that Marty's objections had been rejected earlier on the Senate floor.

An additional conference committee report was adopted and repassed. Sen. Deanna Wiener (DFL-Eagan) carried the report for S.F. 3359, a bill that modifies certain nurse protocols. Wiener said the conference committee added two minor amendments.

One bill was granted final passage on Special Orders. S.F. 2811, carried by Sen. Sheila Kiscaden (R-Rochester) provides a matching service for citizens without dental coverage with volunteer dentists who donate their time to the program. Kiscaden said the \$75,000 needed to fund the program will come from the Board of Dentistry via a special revenue fund sustained by licensing and registration fees.

Two Kiscaden amendments were adopted, one that describes the procedures for dental care professional participants, and the other a non-related provision that creates a emeritus registration category for mortuary science practitioners.

Sen. Linda Berglin (DFL-Mpls.) also offered an amendment that clarifies provisions relating to special education nursing services. The amendment was adopted.

Two bills received concurrence and repassage. S.F. 3200, carried by Johnson, regulates insurance coverages and liability for environmental learning centers and S.F. 3026, authored by Sen. Steve Kelley (DFL-Hopkins), regulates interstate telemedicine services.



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Chapters

The following is a list of all bills signed into law by the governor, or otherwise enacted after passage by both bodies of the Legislature, as of May 2.

- Chap. 219, S.F. 2655*-Samuelson, H.F. 2698-Paulsen:** Extends the authority of the Board of Physical Therapy to adopt rules on licensee ethics. Signed by the governor: 02/27/02.
- Chap. 220, S.F. 264-Stanek, H.F. 351*-Johnson, Douglas:** Omnibus budget reconciliation bill. Vetoed by the governor: 02/25/02. Veto overridden: 02/28/02.
- Chap. 221, S.F. 58*-Foley, H.F. 97-Greiling:** Changes terminology in statutes of references to mentally ill. Signed by the governor: 02/27/02.
- Chap. 222, S.F. 3019*-Ranum, H.F. 3049-Tuma:** Expands the predatory offenders registration requirement. Signed by the governor: 02/28/02.
- Chap. 223, S.F. 1471*-Vickerman, H.F. 1297-Dempsey:** Modifies provisions to reflect the abolishment of the Minnesota Municipal Board and the transfer of powers relating to annexation to the Office of Strategic and Long Range Planning. Signed by the governor: 03/07/02.
- Chap. 224, S.F. 2760-Lesewski, H.F. 2642*-Gerlach:** Eliminates the requirement for county mine inspectors to file annual reports with the Dept. of Labor and Industry. Signed by the governor: 03/07/02.
- Chap. 225, S.F. 2822-Vickerman, H.F. 3116*-Ozment:** Modifies certain provisions governing the environment and natural resources trust fund. Signed by the governor: 03/07/02.
- Chap. 226, S.F. 2441-Robling, H.F. 2624*-Buesgens:** Increases the membership of the Shakopee Public Utilities Commission from three to five members. Signed by the governor: 03/07/02.
- Chap. 227, S.F. 3025-Kelley, H.F. 3148*-Rhodes:** Modifies registration requirements for speech-language pathologists and audiologists. Signed by the governor: 03/07/02.
- Chap. 228, S.F. 2865-Stevens, H.F. 2992*-Rhodes:** Modifies occupational therapist temporary licensure terms. Signed by the governor: 03/07/02.
- Chap. 229, S.F. 2839-Ranum, H.F. 3062*-Smith:** Repeals the term limits for judges in the Hennepin and Ramsey County Juvenile Courts. Signed by the governor: 03/07/02.
- Chap. 230, S.F. 2573*-Berg, H.F. 2748-Westrom:** Authorizes ISD #801, Browns Valley, to begin the school year before labor Day to accommodate high school students enrolled in Sisseton, S. D., and Sisseton elementary students enrolled in Browns Valley. Signed by the governor: 03/13/02.
- Chap. 231, S.F. 2531-Pogemiller, H.F. 2695*-Mares:** Modifies and clarifies certain provisions relating to the Minneapolis Firefighters Relief Association. Signed by the governor: 03/13/02.
- Chap. 232, S.F. 389-Betzold, H.F. 58*-Dehler:** Prescribes standards for identification of beer kegs, prohibits off-sale beer retailers from selling beer kegs without an identification label or tag and specifies certain label or tag requirements. Signed by the governor: 03/13/02.
- Chap. 233, S.F. 3111-Ranum, H.F. 3190*-Stanek:** Requires the Juvenile Court to forward to the statewide supervision (conditional release data) system certain data in juvenile petitions for individuals under supervision by probation agencies or in out of home placement. Signed by the governor: 03/13/02.
- Chap. 234, S.F. 2671-Scheid, H.F. 2783*-Davids:** Regulates no-fault auto insurance residual liability. Signed by the governor: 03/14/02.
- Chap. 235, S.F. 1376-Bachmann, H.F. 1189*-Vanderveer:** Provides for the election of municipal council members after annexation. Signed by the governor: 03/14/02.
- Chap. 236, S.F. 2210-Tomassoni, H.F. 1620*-Howes:** Strengthens orderly annexation agreements. Signed by the governor: 03/14/02.
- Chap. 237, S.F. 2873-Johnson, Douglas, H.F. 2987*-Bakk:** Authorizes the conveyance of the Cook County mineral center cemetery to the Grand Portage reservation. Signed by the governor: 03/14/02.
- Chap. 238, S.F. 2801-Olson, H.F. 3202*-Smith:** Increases the Delano Public Utilities Commission to five members. Signed by the governor: 03/14/02.
- Chap. 239, S.F. 2913-Limmer, H.F. 2629*-Stanek:** Authorizes retired licensed architects, engineers, land surveyors, landscape architects, geoscientists and interior designers to use retired professional designations. Signed by the governor: 03/14/02.
- Chap. 240, S.F. 3082-Larson, H.F. 3309*-Cassell:** Modifies the exception to the nursing home bed moratorium for licensed beds on layaway status. Signed by the governor: 03/14/02.
- Chap. 241, S.F. 2472-Vickerman, H.F. 2637*-Ozment:** Provides for town board declaration of office vacancies and appointment of officers to temporarily replace elected officers unable or refusing to attend board meetings for a certain specified period of time. Signed by the governor: 03/14/02.
- Chap. 242, S.F. 2892-Cohen, H.F. 3344*-McGuire:** Provides for a combined jurisdiction program in the Second and Fourth Judicial Districts. Signed by the governor: 03/14/02.
- Chap. 243, S.F. 3206-Marty, H.F. 3296*-Thompson:** Transfers social security administrative duties from the commissioner of employee relations (DOER) to the Public Employees Retirement Association (PERA). Signed by the governor: 03/14/02.
- Chap. 244, S.F. 1495*-Murphy, H.F. 1547-Finseth:** Requires diesel fuel sold in the state after a certain date for use in internal combustion engines to contain a two percent biodiesel fuel oil by volume and defines biodiesel fuel. Enacted without governor's signature: 03/15/02.
- Chap. 245, S.F. 2562-Scheid, H.F. 2612*-Rhodes:** Modifies the certified signature requirement of licensed architects, engineers, land surveyors, landscape architects or geoscientists or certified interior designers. Signed by the governor: 03/15/02.

- Chap. 246, S.F. 2711-Rest, H.F. 2899*-Holberg:** Modifies certain metropolitan area livable communities provisions and authorizes grants from the livable communities demonstration, local housing incentive or inclusionary housing accounts to development authorities. Signed by the governor: 03/21/02.
- Chap. 247, S.F. 3302-Knutson, H.F. 3584*-Holberg:** Modifies the formula for calculation of interest on court verdicts, awards and judgments. Signed by the governor: 03/21/02.
- Chap. 248, S.F. 2803-Robling, H.F. 2813*-Molnau:** Requires licensed child care providers to develop policies and procedures for reporting suspected child maltreatment. Signed by the governor: 03/21/02.
- Chap. 249, S.F. 2475-Hottinger, H.F. 2766*-Haas:** Removes the expiration date for a provision requiring motor vehicle fuel franchisors selling or transferring ownership of marketing premises occupied by franchisees to offer the franchisees certain rights contained in federal regulations. Signed by the governor: 03/21/02.
- Chap. 250, S.F. 3135-Johnson, David, H.F. 3189*-Workman:** Provides that street sweeping vehicles are special mobile equipment for motor vehicle registration purposes. Signed by the governor: 03/21/02.
- Chap. 251, S.F. 2757-Betzold, H.F. 2742*-Siefert:** Modifying certain contested case procedures under the Administrative Procedure Act (APA) and authorizes state agencies to by order provide for the report or order of the administrative law judge as the final decision. Signed by the governor: 03/21/02.
- Chap. 252, S.F. 2381-Berglin, H.F. 2531*-Goodno:** Provides for the regulation of hospice providers by the commissioner of health separately from home care providers, provides a hospice bill of rights for the benefit of individuals receiving hospice care and provides for enforcement. Signed by the governor: 03/22/02.
- Chap. 253, S.F. 2932*-Krentz, H.F. 3275-Gerlach:** Authorizes and provides for the Pollution Control Agency to encourage citizen monitoring of ambient quality of state waters. Signed by the governor: 03/22/02.
- Chap. 254, S.F. 2971*-Knutson, H.F. 3133-Lipman:** Codifies the provisions regulating the competitive bidding process for state building and construction or repair contracts and requires standard requirement price contracts for building and construction to be established by competitive bids. Signed by the governor: 03/22/02.
- Chap. 255, S.F. 1072*-Lessard, H.F. 1097-Solberg:** Designates the photograph Grace as the state photograph. Signed by the governor: 03/22/02.
- Chap. 256, S.F. 2834*-Day, H.F. 3074-Ruth:** Provides for the appointment of the Steele county recorder Signed by the governor: 03/22/02.
- Chap. 257, S.F. 3258*-Larson, H.F. 3512-Cassell:** Authorizes the commissioner of transportation (DOT) with the unanimous approval of the Land Exchange Board to convey certain state land to the city of Garfield in exchange for certain land in Douglas County. Signed by the governor: 03/22/02.
- Chap. 258, S.F. 2434*-Moe, R.D., H.F. 2652-Lieder:** Provides for the appointment of the Polk County recorder and auditor-treasurer. Signed by the governor: 03/22/02.
- Chap. 259, S.F. 2627*-Kiscaden, H.F. 2603-Paulsen:** Requires licensed optometrists or physicians to provide patients with copies of prescriptions for contact lenses after completing the eye examination. Signed by the governor: 03/22/02.
- Chap. 260, S.F. 3115*-Kelley, H.F. 3238-Johnson, J.:** Modifies a provision regulating state energy efficiency installment purchases and expands commissioner of administration installment purchase authority to equipment or services to reduce state building or facility energy costs. Signed by the governor: 03/22/02.
- Chap. 261, S.F. 3080*-Rest, H.F. 3462-Mulder:** Requires preneed funeral arrangement trust account depositors to annually report to beneficiaries of the accounts the amount and disposition of funds in the account. Signed by the governor: 03/22/02.
- Chap. 262, S.F. 3136*-Lesewski, H.F. 3348-Nornes:** Modifies workers' compensation payment provisions, intervention procedures, and special compensation fund provisions. Signed by the governor: 03/22/02.
- Chap. 263, S.F. 2590*-Lourey, H.F. 2753-Hilty:** Provides for the appointment of the Carlton County recorder. Signed by the governor: 03/22/02.
- Chap. 264, S.F. 2670-Higgins, H.F. 2796*-Ozment:** Authorizes a city of Minneapolis joint venture with a private entity to construct, operate and manage an asphalt production facility. Signed by the governor: 03/22/02.
- Chap. 265, S.F. 2575-Price, H.F. 2792*-Ozment:** Provides for the indemnification of local government units operating or participating in household hazardous waste management programs under a contract with the pollution control agency (PCA). Signed by the governor: 03/22/02.
- Chap. 266, S.F. 3045*-Betzold, H.F. 3373-Stanek:** Extends the Fourth Judicial District domestic fatality review team. Signed by the governor: 03/25/02.
- Chap. 267, S.F. 3109*-Schwab, H.F. 3362-Stanek:** Authorizes municipal police departments to use black patrol vehicles. Signed by the governor: 03/25/02.
- Chap. 268, S.F. 2611*-Ranum, H.F. 2662-Stanek:** Adopts the new Interstate Compact for Adult Offender Supervision. Signed by the governor: 03/25/02.
- Chap. 269, S.F. 1030*-Wiger, H.F. 1934-Stanek:** Ratifies and enacts the National Crime Prevention and Privacy Compact to provide a legal framework for the establishment of a cooperative federal-state system for the exchange of criminal history records. Signed by the governor: 03/25/02.
- Chap. 270, S.F. 222*-Krentz, H.F. 94-Haas:** Establishes a criminal penalty for gross overlimit taking, possessing or transporting wild animals in closed seasons and with a restitution value of over a certain dollar amount. Signed by the governor: 03/25/02.
- Chap. 271, S.F. 2578*-Wiener, H.F. 2873-Wilkin:** Authorizes county boards upon approval by the Dept. of Human

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Services to implement client directed support programs.

Signed by the governor: 03/25/02.

Chap. 272, S.F. 2463*-Anderson, H.F. 2993-Howes: Regulates nurses overtime work hours and provides for border state nursing licenses reciprocity. Signed by the governor: 03/25/02.

Chap. 273, S.F. 3167*-Betzold, H.F. 3263-Holberg: Grants the commissioner of corrections access to private data in preliminary determinations of the appropriateness of filing a petition for civil commitment as sexual psychopathic personalities or sexually dangerous persons. Signed by the governor: 03/25/02.

Chap. 274, S.F. 1226*-Sams, H.F. 1413-Tuma: Guarantees entitlement to full medical expense benefits to persons entitled to basic economic loss benefits under the no-fault automobile insurance law. Signed by the governor: 03/25/02.

Chap. 275, S.F. 3100*-Berglin, H.F. 3276-Boudreau: Provides for Medical Assistance reimbursement for approved tribal health professionals and specifies certain credentialing requirements. Signed by the governor: 03/25/02.

Chap. 276, S.F. 3124*-Foley, H.F. 3291-Nornes: Modifies nursing and board care homes resident reimbursement classifications provisions. Signed by the governor: 03/25/02.

Chap. 277, S.F. 3126*-Foley, H.F. 3245-Boudreau: Makes technical changes in certain health care and human services programs provisions. Signed by the governor: 03/25/02.

Chap. 278, S.F. 3117*-Metzen, H.F. 3061-Dibble: Provides for the transfer or disposal of sewer interceptor facilities. Signed by the governor: 03/25/02.

Chap. 279, S.F. 2419*-Lesewski, H.F. 2600-Mulder: Defines portable wading pools located at licensed family day care homes or at certain unlicensed child care services as private residential pools for regulation exemption purposes. Signed by the governor: 03/25/02.

Chap. 280, S.F. 107-Langseth, H.F. 197*-Bishop: Provides for grants to noncommercial television stations and to the metro bus garage. Vetoed by the governor: 03/27/02. Veto overridden: 04/09/02.

Chap. 281, S.F. 2768*-Lessard, H.F. 2678-Solberg: Changes provisions in the Medical Assistance demonstration project. Signed by the governor: 03/26/02.

Chap. 282, S.F. 3073*-Knutson, H.F. 3579-Holberg: Clarifies the standard for a misdemeanor violation of an order for protection or no contact orders. Signed by the governor: 03/26/02.

Chap. 283, S.F. 2553-Metzen, H.F. 2570*-Wolf: Regulates automobile glass claims practices. Vetoed by the governor: 03/26/02. Veto overridden: 04/02/02.

Chap. 284, S.F. 3068-Murphy, H.F. 3274*-Blaine: Provides certain protections to persons called or ordered to active service. Signed by the governor: 03/26/02.

Chap. 285, S.F. 3122-Chaudhary, H.F. 2882*-Workman: Regulates electric personal assistive mobility devices. Signed by the governor: 03/26/02.

Chap. 286, S.F. 2821*-Scheid, H.F. 3078-Stang: Regulates the conduct of real estate industry licensees, modifies disclosures, and regulates records retention requirements. Signed by the governor: 03/26/02.

Chap. 287, S.F. 2459*-Sams, H.F. 2664-Bradley: Modifies requirements for supplemental nursing services agencies. Signed by the governor: 03/26/02.

Chap. 288, S.F. 2115*-Oliver, H.F. 1885-Workman: Clarifies licensed motor vehicle dealer bonding requirements. Signed by the governor: 03/26/02.

Chap. 289, S.F. 2764*-Marty, H.F. 3091-Abeler: Modifies standards for reporting incidents in licensed programs serving persons with mental retardation or related conditions. Signed by the governor: 03/26/02.

Chap. 290, S.F. 2614*-Kiscaden, H.F. 2932-Sykora: Requires disclosure of an individual's communicable disease to a foster care provider. Signed by the governor: 03/26/02.

Chap. 291, S.F. 3055*-Betzold, H.F. 3080-Stanek: Modifies provisions relating to the Metropolitan Transit Police. Signed by the governor: 03/26/02.

Chap. 292, S.F. 2692*-Sams, H.F. 2757-Abeler: Modifies the authority of the commissioner of human services to set aside disqualifications of human services license applicants based on background checks. Signed by the governor: 03/26/02.

Chap. 293, S.F. 2933*-Kinkel, H.F. 2889-Howes: Allows installation of certain individual sewage treatment systems. Signed by the governor: 03/26/02.

Chap. 294, S.F. 2550*-Berglin, H.F. 2635-Bradley: Clarifies the requirement for school districts to provide special instruction and related services for children with a disability. Signed by the governor: 03/26/02.

Chap. 295, S.F. 2953*-Hottinger, H.F. 3222-Ruth: Prohibits excess fire insurance coverage. Signed by the governor: 03/26/02.

Chap. 296, S.F. 2546*-Fischbach, H.F. 2933-Stang: Permits the cities of Rockville and Pleasant Lake and the town of Rockville to develop a consolidation plan and the cities of New London and Spicer and the town of New London to develop a consolidation plan. Signed by the governor: 03/26/02.

Chap. 297, S.F. 2715-Murphy, H.F. 2884*-Osskopp: Modifies the imposition of overweight vehicles civil penalties. Signed by the governor: 03/26/02.

Chap. 298, S.F. 2966-Robertson, H.F. 3196*-Mares: Dept. of Administration housekeeping provisions. Signed by the governor: 03/26/02.

Chap. 299, S.F. 2890*-Knutson, H.F. 3205-Clark, J.: Regulates regulating public works contracts. Signed by the governor: 03/27/02.

Chap. 300, S.F. 2793*-Vickerman, H.F. 3223-Harder: Provides for Medical Assistance reimbursement for out of state services to children with severe emotional disturbance. Signed by the governor: 03/27/02.

- Chap. 301, S.F. 3244*-Schwab, H.F. 2842-Tuma:** Authorizes electronic signatures on certain laboratory blood sample reports. Signed by the governor: 03/27/02.
- Chap. 302, S.F. 3034*-Robertson, H.F. 3224-Abrams:** Authorizes Hennepin County to contract with a private or public cooperative purchasing organization on behalf of the medical center, ambulatory health center or certain other clinics under competitive or request for proposal contracting conditions. Signed by the governor: 03/27/02.
- Chap. 303, S.F. 2814*-Murphy, H.F. 3240-Clark, J.:** Authorizes electric cooperatives to use electronic voting. Signed by the governor: 03/27/02.
- Chap. 304, S.F. 2673*-Cohen, H.F. 2596-Holberg:** Provides for custody of children by de facto custodians and third parties. Signed by the governor: 03/27/02.
- Chap. 305, S.F. 3278*-Scheid, H.F. 3328-Molnau:** Requires the commissioner of public safety to adopt rules requiring education in organ donation as part of driver education program. Signed by the governor: 03/27/02.
- Chap. 306, S.F. 2697*-Rest, H.F. 3070-Holberg:** Specifies certain disclosure requirements of sellers of residential real estate relating to adverse physical conditions potentially adversely and significantly affecting the rights and interests of the purchaser. Signed by the governor: 04/01/02.
- Chap. 307, S.F. 3315*-Scheid, H.F. 3492-Davids:** Modifies provisions relating to the Joint Underwriting Association. Signed by the governor: 04/01/02.
- Chap. 308, S.F. 3145*-Foley, H.F. 3221-Eastlund:** Revises the Minnesota code of military justice, defines or redefines terms, updates language, and removes certain references indicative of the navy. Signed by the governor: 04/01/02.
- Chap. 309, S.F. 3084*-Rest, H.F. 3506-Ozment:** Modifies certain state and local government unit auditing and reporting requirements. Vetoed by the governor: 04/01/02.
- Chap. 310, S.F. 887-Lourey, H.F. 1224*-Davids:** Provides for registration of medical response units with the Emergency Medical Services (EMS) Regulatory Board. Signed by the governor: 04/01/02.
- Chap. 311, S.F. 2542*-Scheid, H.F. 2785-Goodno:** Regulates business and nonprofit corporations and limited liability companies. Signed by the governor: 04/01/02.
- Chap. 312, S.F. 2675*-Krentz, H.F. 3519-Ozment:** Expands the recyclable material container requirements for state agencies and local government units to public entities and requires state motor vehicles to use clean fuels. Signed by the governor: 04/04/02.
- Chap. 313, S.F. 2569*-Stevens, H.F. 2647-Erickson:** Clarifies that rebates of federal taxes and state sales taxes may not be considered a means of support for Veterans Homes discretionary admissions. Signed by the governor: 04/04/02.
- Chap. 314, S.F. 2580*-Foley, H.F. 2840-Clark, J.:** Clarifies that civil hearings relating to driving while impaired (DWI) do not to give rise to an estoppel on issues resulting from the same set of circumstances in any criminal prosecution. Signed by the governor: 04/04/02.
- Chap. 315, S.F. 2881*-Cohen, H.F. 3169-Vanderveer:** Grants cities or towns certain affordable housing regulation authority in approving subdivision, planned unit development or site plan applications. Signed by the governor: 04/08/02.
- Chap. 316, S.F. 2612*-Kleis, H.F. 3076-Knoblach:** Authorizes funeral home vehicles to use flashing red lights. Signed by the governor: 04/08/02.
- Chap. 317, S.F. 2680*-Limmer, H.F. 3029-Boudreau:** Eliminates certain ventilation system installation requirements under the energy code and provides for adoption of a new energy code. Signed by the governor: 04/08/02.
- Chap. 318, S.F. 2739*-Metzen, H.F. 3058-Stang:** Omnibus liquor bill. Signed by the governor: 04/08/02.
- Chap. 319, S.F. 3076-Cohen, H.F. 2706*-Entenza:** Imposes penalties for failure to yield the right-of-way to or for obstructing emergency vehicles displaying flashing lights and sounding a siren. Signed by the governor: 04/08/02.
- Chap. 320, S.F. 3322*-Orfield, H.F. 3030-Buesgens:** Provides for Metropolitan Council service capacity external use and modifies sewer facilities depreciation rate. Signed by the governor: 04/08/02.
- Chap. 321, S.F. 2949*-Betzold, H.F. 3034-Holberg:** Modifies procedures for criminal background checks of school bus drivers, authorizes Dept. of Public Safety cooperation with the Federal Bureau of Investigation and expands the definition of public criminal history data. Signed by the governor: 04/08/02.
- Chap. 322, S.F. 2533*-Foley, H.F. 2841-Penas:** Authorizes county boards to require criminal offenders confined in county jails, workhouses or correctional or work farms to pay room, board, clothing and medical, dental and other correctional services costs. Signed by the governor: 04/08/02.
- Chap. 323, S.F. 2678*-Higgins, H.F. 2684-Hackbarth:** Makes technical changes and modifications in provisions relating to the Dept. of Natural Resources. Signed by the governor: 04/08/02.
- Chap. 324, S.F. 3352*-Lessard, H.F. 3432-Holsten:** Amends provisions of the Dry Cleaner Environmental Response and Reimbursement Law. Signed by the governor: 04/08/02.
- Chap. 325, S.F. 3054*-Tomassoni, H.F. 3209-Holsten:** Modifies provisions relating to petrofund contractors and consultants and modifies application requirements for certain petrofund reimbursements. Signed by the governor: 04/08/02.
- Chap. 326, S.F. 3174*-Kelley, H.F. 3464-McElroy:** Creates a small business category under the Money Transmitter Act. Signed by the governor: 04/08/02.
- Chap. 327, S.F. 1811*-Ourada, H.F. 1763-Olson:** Authorizes and provides for the transfer of public drainage systems from drainage authorities to water management authorities. Signed by the governor: 04/08/02.
- Chap. 328, S.F. 2150*-Stevens, H.F. 1683-Paulsen:** Modifies electricians licensing and requires rulemaking. Signed by the governor: 04/08/02.
- Chap. 329, S.F. 2987-Metzen, H.F. 3125*-Wolf:** Renames the telecommunications access for communication-impaired

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persons program and provides telephone companies electronic billing authority. Signed by the governor: 04/08/02.

Chap. 330, S.F. 3023-Scheid, H.F. 2988*-Haas: Regulates insurance licenses, fees, rates, practices, and coverages and provides for health care administrative simplification. Signed by the governor: 04/08/02.

Chap. 331, S.F. 3015*-Scheid, H.F. 3497-Davids: Establishes the division of insurance fraud prevention in the Dept. of Commerce, specifies powers and duties and creates the crime of the employment of runners, cappers or steerers. Signed by the governor: 04/10/02.

Chap. 332, S.F. 2827-Wiener, H.F. 2719*-Leppik: Uniform Athlete Agents Act. Provides for regulation of student athlete agents. Signed by the governor: 04/10/02.

Chap. 333, S.F. 1443-Wiener, H.F. 1517*-Wilkin: Regulates family day care homes swimming pools use. Signed by the governor: 04/12/02.

Chap. 334, S.F. 3028*-Kelley, H.F. 2835-Dawkins: Authorizes the Minnesota Commission on National and Community Service to create and delegate duties to a private, nonprofit corporation. Signed by the governor: 04/12/02.

Chap. 335, S.F. 2457*-Berglin, H.F. 2763-Greiling: Removes the imminent danger of injuring or harming self or others requirement for emergency admission or judicial commitment purposes. Signed by the governor: 04/16/02.

Chap. 336, S.F. 2592*-Oliver, H.F. 2763-Entenza: Authorizes the reorganization of a mutual insurance holding company into a stock company. Signed by the governor: 04/16/02.

Chap. 337, S.F. 3288*-Kelley, H.F. 3537-Rhodes: Extends the expiration of an interest arbitration provision governing firefighters. Signed by the governor: 04/16/02.

Chap. 338, S.F. 3380*-Knutson, H.F. 3455-Leighton: Modifies provisions governing postnuptial contracts. Signed by the governor: 04/16/02.

Chap. 339, S.F. 2650*-Samuelson, H.F. 2751-Stang: Modifies the regulation of credit unions Signed by the governor: 04/16/02.

Chap. 340, S.F. 3238*-Ranum, H.F. 3445-Wagenius: Provides options relating to the election of directors and voting rights for members of nonprofit neighborhood organizations. Signed by the governor: 04/16/02.

Chap. 341, S.F. 2957*-Samuelson, H.F. 3193-McElroy: Requires reporting of practice act violations to the board of dentistry and provides complainant immunity. Signed by the governor: 04/17/02.

Chap. 342, S.F. 2988*-Metzen, H.F. 3257-Davids: Omnibus bank bill. Modifies provisions relating to financial institutions detached facilities, charges and fees and mortgage repayment penalties. Signed by the governor: 04/17/02.

Chap. 343, S.F. 3075*-Cohen, H.F. 2687-Entenza: Provides for payment of sales tax on a motor vehicle sold in violation of dealer licensing requirements. Signed by the governor: 04/17/02.

Chap. 344, S.F. 3114*-Neuville, H.F. 3393-Boudreau: Permits the issuance of a limited license under certain circumstances

to a person whose driver's license is suspended for nonpayment of support. Signed by the governor: 04/17/02.

Chap. 345, S.F. 1555*-Higgins, H.F. 1524-Leppik: Regulates the use of fertilizers containing phosphorous. Signed by the governor: 04/19/02.

Chap. 346, S.F. 2909*-Sams, H.F. 2935-Penas: Permits a health maintenance organization rural demonstration project. Signed by the governor: 04/19/02.

Chap. 347, S.F. 2540*-Betzold, H.F. 2657-Dawkins: Changes certain probate and power of appointment provisions. Signed by the governor: 04/19/02.

Chap. 348, S.F. 2460*-Kleis, H.F. 3048-Workman: Provides criminal penalties for persons who promote, advocate, and take responsibility for criminal acts under certain circumstances and provides for civil liability against persons who destroy field crops and organisms grown for research purposes. Signed by the governor: 04/24/02.

Chap. 349, S.F. 2807-Ranum, H.F. 2473*-Kahn: Darlene Luther Anatomical Gift Act. Specifies intent and consent requirements for anatomical gift designations. Signed by the governor: 04/24/02.

Chap. 350, S.F. 2960*-Johnson, Debbie, H.F. 2525-Hackbarth: Defines fireworks and legalizes the use of non-aerial, non-explosive fireworks. Signed by the governor: 04/29/02.

Chap. 351, S.F. 2674*-Krentz, H.F. 2920-Ozment: Omnibus game and fish provisions. Signed by the governor: 04/29/02.

Chap. 352, S.F. 3373-Knutson, H.F. 2618*-Holberg: Regulates the dissemination of data between schools, law enforcement, and the juvenile justice system. Signed by the governor: 05/01/02.

Chap. 353, S.F. 2125*-Moe, R.D., H.F. 1359-Ozment: Modifies provisions for all terrain vehicle use on certain wildlife areas, permits sale of certain consolidated conservation lands and adds to state wildlife management areas. Signed by the governor: 05/01/02.

Chap. 354, S.F. 2998*-Lourey, H.F. 3249-Hilty: Waives the written case presentation and oral examination component of the licensing requirements for certain alcohol and drug counselors. Signed by the governor: 05/01/02.

Chap. 355, S.F. 3010-Stumpf, H.F. 2970*-Hackbarth: Appropriates money for maintenance, monitoring, and enforcement related to recreational motor vehicle use. Signed by the governor: 05/01/02.

Chap. 356, S.F. 3257*-Solon, Y.P., H.F. 3509-Howes: Adds an exception to the conflict of interest provisions for housing and redevelopment authority officers. Signed by the governor: 05/01/02.

Chap. 357, S.F. 2363*-Johnson, David, H.F. 2492-Davids: Limits the use of credit scoring by homeowner and automobile insurers. Signed by the governor: 05/01/02.

Chap. 358, S.F. 3168*-Stevens, H.F. 2995-Howes: Provides for a bidding exception for certain water tank service contracts and authorizes an agreement for Walker to maintain the state water tower at Ah-Gwah-Ching. Signed by the governor: 05/01/02.

Floor action

Monday, April 22

Conference committee reports adopted and repassed

S.F. 2960-Johnson, Debbie: Modifies the definition of fireworks and permits the sale of non-aerial, non-explosive firework novelties such as sparklers. 34-30

S.F. 2674-Krentz: Omnibus game and fish bill. 60-0

Bills granted final passage on Special Orders

S.F. 1755-Stumpf: Establishes a temporary school employee insurance plan study committee to collect, analyze and disseminate information from current health plans offering insurance to eligible employers and to recommend specifications for a health insurance plan. 46-15

Thursday, April 25

Conference committee reports adopted and repassed

H.F. 2618-Knutson: Regulates the dissemination of data between schools, law enforcement, and the juvenile justice system and requires public employees and officers to make prompt reports of certain unlawful actions. 56-0

H.F. 2970-Stumpf: Imposes requirements on certain purchases of the commissioner of natural resources, requires certain rule amendments, authorizes hiring of certain employees, authorizes certain reimbursements for snowmobile trail grooming equipment, authorizes counties to raise snowmobile speed limits on certain lakes, and appropriates money for maintenance, monitoring, and enforcement related to recreational motor vehicle use. 64-0

S.F. 2363-Johnson, David: Limits the use of credit information. 62-0

S.F. 3168-Stevens: Provides for a bidding exception for certain water tank service contracts and authorizes an agreement for the city of Walker to maintain and operate the state's water tower at Ah-Gwah-Ching. 64-0

Bills granted final passage on Special Orders

H.F. 2598-Reiter: Requires recitation of the pledge of allegiance in all public schools and provides for instruction in the proper etiquette, display, and respect of the United States flag. 54-8

Monday, April 29

Bills granted concurrence and repassage

S.F. 2568-Rest: Removes certain limitations on the Hennepin County Board's ability to lease real property. 56-0

Thursday, May 2

Bills granted concurrence and repassage

S.F. 3200-Johnson, Dean: Regulates insurance coverages and liability for environmental learning centers. 57-0

S.F. 3026-Kelley: Regulates the provision of interstate telemedicine services. 58-0

Conference committee reports adopted and repassed

H.F. 3359-Wiener: Modifies certain protocols for nurses, authorizes transfer of certain nursing facility beds and provides for the administration of epinephrine on emergency ambulance calls. 58-0

S.F. 3298-Johnson, Dean: Dept. of Transportation housekeeping bill. 51-6

S.F. 3384-Hottinger: Modifies campaign finance and ethics provisions. 47-9

Bills granted final passage on Special Orders

H.F. 3350-Kiscaden: Requires the board of dentistry to contract with the Minnesota Dental Association or other appropriate and qualified organization to develop and operate a donated dental services program to provide dental care to public program recipients and the uninsured through dentists volunteering services. 54-0

CONFERENCE COMMITTEE MEMBERSHIP

The following are the members of the conference committees appointed to resolve differences on major bills passed by both the Senate and the House. Schedules for conference committees, and membership of other conference committees, are available online (at <http://www.senate.mn>) and via phone from the Senate Information Office (651-296-0504 or 1-888-234-1112). Senate conferees are in the right column, House members on the left.

Omnibus bonding bill – H.F. 3618

Knoblach	Langseth
Osthoff	Samuelson
Bishop	Wiener
McElroy	Larson
Clark, J.	Cohen

Omnibus supplemental budget bill – H.F. 3270

Goodno	Johnson, Douglas
Krinkie	Berglin
Seagren	Pogemiller
Abrams	Price
Pugh	Day

Transportation funding bill – H.F. 3364

Kuisle	Johnson, Dean
Holberg	Johnson, David
Workman	Sabo
Kielkucki	Terwilliger
Juhnke	Ourada

Anti-terrorism bill – H.F. 2622

Stanek	Ranum
Tuma	Moua
Smith	Kelley
Fuller	Schwab
Murphy	Neuville

Stadium bill – H.F. 2214

Mares	Johnson, Dean
Goodno	Scheid
Abrams	Terwilliger
McElroy	Kelley
Milbert	Metzen

Minnesota Emergency Health Powers Act – H.F. 3031

Mulder	Hottinger
Jacobson	Betzold
Huntley	Limmer

Pledge of Allegiance bill – H.F. 2598

Cassell	Reiter
Anderson, B.	Murphy
Marquart	Moua

Minnesota Senate 2002

Party	Phone	Name	Room	District	Party	Phone	Name	Room	District
DFL	296-5537	Ellen R. Anderson	120 Cap.	66	DFL	296-4370	James P. Metzner	322 Cap.	39
R	296-4351	Michele M. Bachmann	125 SOB	56	DFL	296-2577	Roger D. Moe	208 Cap.	2
R	296-5975	William V. Belanger, Jr.	113 SOB	41	DFL	296-5285	Mee Moua	323 Cap.	67
R	296-5094	Charles A. Berg	25 SOB	13	DFL	296-4264	Steve Murphy	306 Cap.	29
DFL	296-4261	Linda Berglin	309 Cap.	61	R	296-1279	Thomas M. Neuville	123 SOB	25
DFL	296-2556	Don Betzold	G-9 Cap.	48	R	296-4837	Edward C. Oliver	117 SOB	43
DFL	296-4334	Satveer Chaudhary	325 Cap.	52	R	296-1282	Gen Olson	119 SOB	34
DFL	296-5931	Richard J. Cohen	317 Cap.	64	DFL	296-4191	Myron Orfield	227 Cap.	60
R	296-9457	Dick Day	147 SOB	28	R	296-5981	Mark Ourada	145 SOB	19
R	296-4131	Steve Dille	103 SOB	20	DFL	296-1802	Sandra L. Pappas	120 Cap.	65
R	296-2084	Michelle L. Fischbach	15 SOB	14	R	296-5252	Pat Pariseau	109 SOB	37
DFL	296-4154	Leo T. Foley	G-24 Cap.	49	DFL	296-7809	Lawrence J. Pogemiller	235 Cap.	59
DFL	296-5713	Chuck Fowler	G-9 Cap.	26	DFL	297-8060	Leonard R. Price	235 Cap.	57
R	296-8138	Dennis R. Frederickson	139 SOB	23	DFL	297-8061	Jane B. Ranum	120 Cap.	63
DFL	296-9246	Linda Higgins	328 Cap.	58	R	296-1253	Mady Reiter	132D SOB	53
DFL	296-6153	John C. Hottinger	205 Cap.	24	DFL	296-2889	Ann H. Rest	G-24 Cap.	46
DFL	296-9261	David H. Johnson	124 Cap.	40	DFL	296-5419	Twyla L. Ring	306 Cap.	18
DFL	296-3826	Dean E. Johnson	124B Cap.	15	R	296-4314	Martha R. Robertson	141 SOB	45
R	296-3219	Debbie J. Johnson	149 SOB	50	R	296-4123	Claire A. Robling	143 SOB	35
DFL	296-8881	Douglas J. Johnson	205 Cap.	6	DFL	296-4274	Julie A. Sabo	317 Cap.	62
DFL	297-8065	Steve Kelley	321 Cap.	44	DFL	297-8063	Dallas C. Sams	328 Cap.	11
R	296-5649	Bob Kierlin	127 SOB	32	DFL	296-4875	Don Samuelson	120 Cap.	12
DFL	296-4913	Anthony G. "Tony" Kinkel	G-9 Cap.	4	R	296-3903	Kenric J. Scheevel	129 SOB	31
R	296-4848	Sheila M. Kiscaden	135 SOB	30	DFL	296-8869	Linda Scheid	303 Cap.	47
R	296-6455	Dave Kleis	107 SOB	16	R	296-9248	Grace S. Schwab	151 SOB	27
R	296-4120	David L. Knutson	133 SOB	36	DFL	296-4188	Yvonne Prettner Solon	303 Cap.	7
DFL	296-7061	Jane Krentz	111 Cap.	51	R	296-8075	Dan Stevens	105 SOB	17
DFL	296-3205	Keith Langseth	122 Cap.	9	DFL	296-8660	LeRoy A. Stumpf	G-24 Cap.	1
R	296-5655	Cal Larson	153 SOB	10	R	296-6238	Roy Terwilliger	115 SOB	42
R	296-4125	Arlene J. Lesewski	131 SOB	21	DFL	296-8017	David J. Tomassoni	111 Cap.	5
IND	296-4136	Bob Lessard	G-51 SOB	3	DFL	296-5650	Jim Vickerman	226 Cap.	22
R	296-2159	Warren Limmer	155 SOB	33	DFL	297-8073	Deanna L. Wiener	303 Cap.	38
DFL	296-0293	Becky Lourey	G-9 Cap.	8	DFL	296-6820	Charles W. Wiger	301 Cap.	55
DFL	296-5645	John Marty	325 Cap.	54					

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Majority Leader Roger D. Moe (DFL-Erskine) pens in the final year of his 32-year tenure with the Minnesota Senate in his desk drawer during closing ceremonies of the 82nd Legislative Session Mon., May 20. Photo by David J. Oakes



May 6–20, 2002

Senate Highlights

Session adjourns

After quickly passing several closing resolutions, the Senate recessed and members devoted the last floor session of the legislative year, Mon., May 20, to paying tribute to retiring Senators.

Among several lighthearted tributes to departing Senators, Sen. Jane Krentz (DFL-May Township) presented Sen. Charles Berg (R-Chokio) with a 40 hour Green Party tutorial with Sen. Ellen Anderson (DFL-St. Paul). Krentz also presented Sen. Roger D. Moe (DFL-Erskine) with a smiley-face mask to help him present a less restrained personality. Because of his longstanding opposition to commemorative highway naming, Sen. Edward Oliver (R-Deephaven) received a map of the state and a certificate that entitled him to choose any stretch of highway he liked to be named in his honor from Sen. Sheila Kiscaden (R-Rochester).

Several Senators made farewell speeches, including Sen. Julie Sabo (DFL-Mpls.), who said leaving did not feel like retirement, but rather a new beginning. "This has been a rewarding, fulfilling experience," said Sabo. "I want to thank members for making it so wonderful."

Sen. David Johnson (DFL-Bloomington) was also gracious to fellow members, saying he enjoyed working with everyone. Oliver said that he was very pleased to have been associated with the Republican Caucus for the past 10 years,

and that he particularly enjoyed working on the Commerce Committee with the former chair, the late Sen. Sam Solon (DFL-Duluth).

Sen. Roy Terwilliger (R-Edina) said he was grateful to both the Senate and committee staff. "Thank you for your friendship and hard work," he said. Terwilliger also recited a poem named "Building," which contrasted those who seek to build things with those who seek to wreck things. "We tried to build a better state. I salute you builders of Minnesota," he said.

Berg paid special tribute to his staff and jokingly said to members, "I'm going to miss some of you." Sen. Kenric Scheevel (R-Preston) offered some parting advice. "Life is uncertain, so eat dessert first."

Douglas Johnson thanked members on both sides that he has worked with for years. "It has been a great voyage," he said. "The Legislature is great, it is great for Minnesota. As I go fishing, I urge all of you to keep up the good work."

Before Moe gave his parting speech, Sen. John Hottinger (DFL-Mankato) said that Moe shaped the culture of the institution over the past two decades. "Roger Moe has represented dignity, stability and civility for the past 32 years," Hottinger said. A significant number of former Senators entered the Senate chamber as Moe prepared to give his parting remarks.

"I knew this time would come, just not so soon," said Moe as he began his farewell. He quickly added, "That was supposed to be funny." Moe said that he was deeply honored that so many former colleagues would return to be with him.

Moe recounted that before he was elected and came to St. Paul in December 1970, he had never been inside the Capitol building. "I will never forget what it was like to come into this building for the first time," he said. "It still is the same for me now."

Moe encouraged Senators to continue to attempt to forge bipartisan solutions to issues, and maintain the traditions and civility of the Senate. "Those things are important," he said.

"We are here not just to represent the people from whom we hear, but also those we don't hear from. We have to answer to not only our own constituents, but also to all Minnesotans. We are elected as partisans, but we are expected to serve as statesmen and women," Moe said in closing. "I am honored to have served and extremely blessed in my public life. I'm an ordinary guy who was given extraordinary opportunity."

Sen. Don Betzold (DFL-Fridley) presented Moe with a certificate that listed all of the 274 members Moe has served with in his 32-year tenure. Hottinger recognized the former Senators that were present.

Moe made the motion to adjourn the Senate sine die to cap his 32-year Senate career and over two decades as majority leader. The motion was adopted and the Senate adjourned.

Deal brokered

Legislative leaders held a press conference Tues., May 14, to announce a major breakthrough in efforts to resolve the state's remaining \$439 million deficit for FY 02-03. Senate Majority Leader Roger D. Moe (DFL-Erskine) began the press conference by declaring that negotiators had solved the budget shortfall for FY 02-03. "We are also sending a strong signal that the state's fiscal house is in order by providing \$300 million for a budget reserve," he said.

House Speaker Steve Sviggum (R-Kenyon) said Minnesotans should find a positive message coming out of the Legislature—a \$2.4 billion budget deficit was solved in two phases without increasing taxes and by decreasing the size of state

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government without significant cuts to schools and nursing homes. Sviggum said the state is in a much better position than many others, including Wisconsin, Florida and Missouri.

House Minority Leader Thomas Pugh (DFL-South St. Paul) said many appropriations cut in the first phase of budget reconciliation—including education, corrections and health and human services—have been restored in the second phase.

Moe and Sviggum outlined the major provisions of the agreement. For cash flow purposes, the full tobacco endowment—of over \$1 billion—is made available, Sviggum said. Dollars are shifted from other programs and a proposed buyback of the June accelerated sales tax payment is delayed another year, he said, to increase the state’s budget reserve. Moe said that programs that rely on interest earned from the tobacco endowment will not be threatened. Payments to those organizations will continue, he said, and the use of the endowment for cash flow will not have a net effect on the tobacco settlement funds. Moe said the Legislature has tried to meet the governor more than halfway on his concerns. He said the Legislature has

made significant steps to provide an adequate budget reserve, rebuilding it to half the level it had reached before the recession.

Moe said the Legislature will act on the bill and present it to the governor with enough time remaining for Legislators to override a possible veto no later than Sun., May 19. He said he did not think the governor will take the full three days allotted him by the state constitution to sign or veto the bill. “I think he’ll make a decision on it within a couple of days. I don’t think he needs to push this into Sunday,” Moe said.

Bonding bill approved

Members of the Bonding Conference Committee, chaired by Sen. Keith Langseth (DFL-Glyndon) and Rep. Jim Knoblach (R-St. Cloud), approved the bonding bill at their meeting Fri., May 17. The panel worked primarily on the language to accompany the allocations for a variety of capital investments during the lengthy meeting.

H.F. 3618 appropriates \$979 million for hundreds of state and local capital improvement projects. The bulk of the money—\$879 million—is borrowed through

the sale of state bonds. The rest is paid for with cash or through user fees.

Included in the bill is \$160 million to the University of Minnesota and \$210 million for the Minnesota State Colleges and University System (MnSCU)—nearly one-third of which is to be paid back through user fees. The measure also provides \$768,000 for projects at the Perpich Center for Arts and Learning, \$35 million for projects under the Department of Children, Families and Learning, \$1.5 million to the Minnesota State Academies, \$101 million for projects under the Department of Natural Resources, \$10 million to the Minnesota Pollution Control Agency and \$4.75 million to the Office of Environmental Assistance. The bill includes \$8.25 million for the Board of Water and Soil Resources, \$15 million for the Department of Agriculture—nearly all of which is paid back through user fees—\$11 million for the Zoological Gardens, \$84 million to the Department of Administration, \$646,000 to the Capitol Area Archeological Planning Board, \$8.25 million to the Amateur Sports Commission, \$31 million for arts related projects, \$4 million for military affairs, \$92.5 million for transportation projects and

\$30.5 million to the Metropolitan Council. The bill also includes \$5 million—paid back through user fees—for the Department of Commerce, \$775,000 to the Department of Health, \$23 million for projects under the Department of Human Services, \$13 million for the Veterans Home Board, \$26 million for the Department of Corrections, \$85 million for the Department of Trade and Economic Development, \$1.5 million to the Iron Range Resources and Rehabilitation Board, \$16 million to the Housing Finance Agency and \$4 million for projects within the Minnesota Historical Society.



Current Senate President Don Samuelson (DFL-Brainerd), second from left, poses in the Senate Chamber with past Senate Presidents Alan Spear (1993-2001), left, Jack Davies (1981-1982), third from left, and Ed Gearty (1977-1981) upon conclusion of the closing ceremonies Mon., May 20. Photo by David J. Oakes

Committee update

Environment and Natural Resources

Gypsy moth measure debated

Members of the Environment and Natural Resources Committee, chaired by Sen. Jane Krentz (DFL-May Township), met Thurs., May 2, to discuss S.F. 3463, which clarifies the prohibition on certain applications of pesticides. The bill, carried by Sen. Steve Murphy (DFL-Red Wing), is designed to allow the application of pesticide in heavily populated areas to stop the spread of gypsy moths in Minnesota. It effectively allows pesticide to be applied in two locations in the Minneapolis area where the moths have recently been discovered.

Members devoted their discussion during the meeting to an amendment to the bill drafted by Murphy. The amendment adds exceptions to current law that prohibit the direct application of pesticide on humans by overspray or target site spray. The measure instead allows the direct application of pesticide on humans when the pesticide is intended for use on humans, for mosquito control operations and for control of the gypsy moth, forest tent caterpillar, or other pest species and the pesticide used is a biological agent or for a public health risk. Under the amendment, the public health risk must be determined by the commissioner of the Minnesota Department of Health in consultation with the commissioner of the Department of Agriculture. The need for the application must be balanced with the public health risk and the risk that the pesticide application poses to the health of the general population, especially children. The measure also specifies that a pesticide application may take place only if no alternative method of control exists, the pesticide used is among the least toxic available and residents in the affected area are provided information regarding the application through direct notification and through local newspaper publication. The amendment defines "direct notification" and is effective the day following final enactment.

Murphy said the bill is the result of a discussion between the Department of Agriculture and the Attorney General's Office regarding the current law. According to a recent opinion delivered by the attorney general, because current law prohibits the direct application of pesti-

cides on humans, three recently discovered infestations of gypsy moths—two of which are in the heavily populated Minneapolis area—cannot be sprayed. Murphy said the moths defoliate trees and can kill younger trees. The proposed spraying, according to the attorney general's written opinion, would be inconsistent with current law. According to Department of Agriculture literature, gypsy moths are the "single most destructive forest insect in North America." The literature also states that 60 percent of Minnesota is "highly susceptible" to gypsy moth attack.

"It is important that we move ahead with this as quickly as possible," said Murphy.

Greg Buzicky, from the Minnesota Department of Agriculture, said the state has eradicated 50 infestations of gypsy moths in Minnesota over the last 30 or so years. He also said the department conducts extensive trapping operations for gypsy moth eggs every year. The females are unable to fly, he said, and the eggs are transported by humans. He said the current infestations were discovered late last summer and hatched recently. The department, he said, plans to spray May 14.

Krentz asked why special mention is made of mosquitos in the amendment. She asked if mosquitos wouldn't fall under the exception for pesticide application made for a public health risk.

Geir Friisoe, with the Department of Agriculture, said special mention of mosquitos is made to deal with current applications on mosquitos. He said current mosquito spraying is not done for health risks, but for nuisance reasons.

Sen. Twyla Ring (DFL-North Branch) said the amendment made her nervous. She said Legislators were called to rally around the issue of the gypsy moth, but the legislation was growing beyond just the moth. The other issues, she said, need to be addressed, but, she added, they should wait for another time.

"I have some reservations about this amendment," she said.

Murphy, though, pointed to current law, which prohibits applying pesticides on humans. He said the attorney general's opinion regarding that law prohibits spraying for mosquitos at all. The bill must be passed, he said, or there will be no more spraying for mosquitos.

Sen. Ellen Anderson (DFL-St. Paul) said there is no criteria for what is allowed to be sprayed in the amendment. The

measure is too broad, she said, and gives blanket authority for applying pesticides. She said the amendment should say more.

Buzicky said it is important to focus on existing language. He said current enforcement of pesticide labels is taken seriously. The bill, he said, cannot supercede what the labels allow and cannot make law more permissive. Buzicky also said including language for other pest species in the bill gives the commissioner the ability to name pests in the future that have not been thought of at this time. Craig Johnson, from the governor's office, also addressed Anderson's concerns. He said pests under the bill must be dealt with through biological control. Pesticides used, he said, cannot be chemical.

Anderson, however, said that the use of just biological pesticides did not give her a lot of comfort. While some biological pesticides cause no harm, she said, some do cause harm. She said she needed to know if people will be safe if they might come into contact with the spraying. She said she wasn't sure if the language of the bill gives her that assurance. Responding, Murphy said if a label states humans can come into contact with product, it can be used. However, he said, if the label prohibits contact with humans, then it cannot be used. "The label rules," he said. Anderson asked why, then, the bill was necessary. Murphy said it is necessary because according to the opinion of the attorney general, the law is currently being broken.

Sen. Leonard Price (DFL-Woodbury) asked if the amendment changes current notification procedures for mosquito control operations.

Wy Spano, representing the Metropolitan Mosquito Control District (MMCD), said the amendment, if passed, will force the MMCD to discontinue all mosquito fogging operations. The MMCD, he said, cannot afford to notify everyone that may come into contact with their mosquito spraying. He said spraying is sometimes done several times each day. He also said mosquito fogging is not harmful. If it was harmful, he said, people would be bringing lawsuits forward. Spano said most of the language in the amendment has to do with gypsy moths. Mosquito spraying, he said, should be excluded from the conditions needed—which include the notification requirements—to apply pesticide. He noted the Rules and Legislative Administration Committee in the

other body has already taken the provision out.

Price said he is in favor of spraying for gypsy moths. He said there was an infestation near his home in the 1980s. However, he recalled a time that an area near where his children were playing soccer some time ago was sprayed for mosquitos. Under the amendment, he said, every family going to the soccer field that day would have to have been notified of the spray. He said that is a technical problem with the amendment.

“The notification part is a problem,” he said. “The insertion of mosquito control spraying into a gypsy moth bill complicates this amendment.”

Sen. Dennis Frederickson (R-New Ulm) asked how long MMCD has been spraying for mosquitos. He also asked if any type of notification takes place now. Spano said the MMCD has been spraying for mosquitos since 1944. Regarding notification procedures, he said parks are posted after an application and announcements are placed in newspapers. He also said the MMCD has a hotline and a website.

Frederickson moved to remove mosquito control operations from the requirements needed to apply pesticide. The motion, he said, prevents the notification requirements from applying to mosquito control operations. The motion was to be incorporated into the amendment.

Janette Brimmer, from the Minnesota Center for Environmental Advocacy, spoke regarding the amendment. The organization, she said, is relatively comfortable with the gypsy moth language. However, she said she had some concerns about exempting mosquito control from certain provisions. She said recent research by a doctor at the Duke University Medical Center makes a connection between an illness suffered by many Gulf War veterans and the mosquito control used by the U.S. Army. Judy Bellairs, from the Sierra Club, said the group supported the bill as it came out of the previous committee. However, she said, the group does not support the amendment because of the mosquito control language. She said harmful chemicals are used to control mosquitos. The exemptions the MMCD is asking for, she said, are too broad. She suggested eliminating the mosquito control operations from the amendment instead.

In response, Murphy said he supported Frederickson’s motion. But the connection between illnesses suffered by Gulf War veterans and mosquito control, he said, is incorrect. He said his brother is a Gulf War veteran and has an illness that many veterans have. But the illness, he said, is not related to mosquito control. Sen. David Knutson (R-Burnsville) asked where the complaints about mosquito spraying have been during the last 40 years while spraying was taking place. The amendment, he said, is just trying to let the MMCD continue to do what it has been doing for many years and deal with the new problem regarding the gypsy moth.

Anderson said that the attorney general’s opinion may be too strict. If people come into contact with one drop of pesticide, she said, that would be a violation of the law. She said the amendment goes too far in the other direction and that there needs to be a middle ground. More information needs to be gathered, she said, before a “wide open loophole” is created. Anderson also suggested that pesticide application under the amendment be limited to gypsy moths, forest tent caterpillars or other “invasive” pest species. The bill that came to the committee specifies “invasive” pest species.

Sen. Lawrence Pogemiller (DFL-Mpls.) offered an amendment to allow the application of pesticide on humans for mosquito control operations “conducted before June 30, 2003.” The language, he said, allows the issues to be thought through and dealt with next year. He also said the language only deals with mosquito control and does not deal with the gypsy moth provisions.

Sen. Ann Rest (DFL-New Hope) said she was less concerned with exempting mosquito control operations from the other conditions—such as the existence of no alternative control method and the pesticide being among the least toxic available—than she was with exempting it from the notification requirements. She said she was less concerned with announcing an application than she was with what was being applied.

Murphy said the word invasive was taken out in the amendment because some pests that may need to be sprayed are native to Minnesota. If “invasive” remains, he said, the state will not be able to deal with pests native to the state. Murphy’s amendment—with Frederickson’s incorpo-

ration—was adopted. The Pogemiller amendment was also adopted. The bill was approved and sent to the Senate floor.

Proposed constitutional amendment debated

Members of the Environment and Natural Resources Committee, chaired by Sen. Jane Krentz (DFL-May Township), met Mon., May 6, to discuss a proposed amendment to the Minnesota constitution.

S.F. 1589, carried by Sen. Bob Lessard (IND-Int.’l Falls), dedicates 3/16 of 1 percent of Minnesota sales tax revenues for natural resources purposes. Under the bill, 57 percent of the amount obtained through the sales tax dedication is earmarked for the heritage enhancement fund, established to improve, enhance and protect the state’s fish and wildlife resources, 20 percent is for state parks and trails, 20 percent is for metropolitan park and trail grants and 3 percent is for grant-in-aid trails. The proposal sets up a 15 member Heritage Enhancement Council to recommend expenditures from the heritage enhancement fund, requires any land acquired from money in the fund to be open to fishing and hunting during the open season and requires at least 97 percent of the fund to be spent on fish and wildlife projects. The measure also specifies that the money obtained through the sales tax dedication cannot supplant traditional funding for natural resource purposes. The constitutional amendment must be approved by Minnesota voters on the November 2002 general election ballot. Under the bill, the money is dedicated beginning July 1, 2005 and is appropriated for 21 years. The measure would generate approximately \$115 million annually.

Lessard said he has never been so enthused about a bill. It is an opportunity, he said, to leave something behind for future generations of Minnesotans.

“I think if we pass this legislation there will be nothing like it in the United States,” he said. “I think it’s the right thing to do and I think we have an historic opportunity to do so.”

Several people testified in support of the bill. Mary Merrill-Anderson, superintendent of the Minneapolis Park and Recreation Board, said 29 million people visit the metropolitan parks system each year. In terms of visitors, she said, this is second only to the Mall of America. She

Committee update



Minnesota Historical Society tour guide Jean Olson uses props to illustrate the story of women in Minnesota getting the vote to a group of sixth graders in front of the Senate Chamber Tues., May 21.

Photo by Shelley Hawes

said people value park land, and that parks are places that make Minnesota great. John Curry, legislative director with the Minnesota Center for Environmental Advocacy, said the money raised is not for a narrow special interest. Yearly, he said, the Department of Natural Resources issues 8,700 cross-country skiing permits, 165,000 canoeing permits, 81,000 pheasant hunting licenses, 122,000 waterfowl stamps, 487,000 deer hunting permits, 17,000 bear hunting permits, 2.3 million fishing licenses and 28,800 snowmobile registrations in the state. He said the state parks are visited by 8.2 million people each year. He said natural resource activities generate approximately \$3 billion of economic activity each year—fishing alone generates nearly \$1.9 billion of economic activity—and \$250 million in taxes.

Dorian Grilley, executive director of the Minnesota Parks and Trails Council,

said the legislation provides a stable funding source for parks and trails. According to literature he distributed, state parks are the cornerstone of Minnesota's tourism economy, parks preserve and protect open space, provide educational opportunities and provide hands-on volunteer opportunities for individuals and groups. Lee Lewis, from Minnesota Audubon, said the bill provides a much needed source of revenue for the protection of the environment and for conservation. Joe Duggan, from Pheasants Forever, said the measure represents a landmark opportunity to take care of current and future problems. "We wholeheartedly support its passage," he said.

Sen. Steve Dille (R-Dassel) asked what should be cut from the rest of the state's budget in order to enact the legislation. The money, he said, must be taken from some place.

Lessard asked what one will say to a child in the year 2050 if there is no clean water. He also said he just wants people to have the choice and that the bill doesn't take effect until 2006. Curry said it is important to engage in dialogue about the state's priorities. If the question is put on the ballot, he said, Legislators will hear over the summer and into the fall what the priorities of their constituents are. Krentz said the legislation—which has been discussed in previous years—couldn't be approved even when there was a budget surplus. Maybe it should be done now, she said, to make a statement.

Sen. David Knutson (R-Burnsville) presented an amendment requiring money in the heritage enhancement fund to be used to improve, enhance, "and protect the state's natural resources, fish and wildlife and habitats for fishing, hunting, and other uses." The amendment was adopted.

Sen. Charles Berg (R-Chokio) offered an amendment to reduce the amount allotted for the heritage enhancement fund to 54 percent. The amendment also provides for 3 percent of the dedicated funds to be spent only for fish stocking. Berg said the amendment is necessary because so many Minnesotans fish and do so often.

Sen. Dennis Frederickson (R-New Ulm) questioned whether 3 percent was the correct percentage to use. He said he was more inclined to have faith in the Heritage Enhancement Council to make good management decisions. Sen. Linda Higgins (DFL-Mpls.) questioned the need to put the amendment into the constitution. She pointed out that 11 members of the council represent hunting and fishing groups, and that they will be vigilant regarding the issue. Sen. Lawrence Pogemiller (DFL-Mpls.) said the measure provided for too much micro-management.

Lessard suggested placing the language in the implementation section instead of the constitutional section. Frederickson moved to do that, and to change the language to instead state that until 2010 the council must recommend that at least 5 percent of the fund be spent each year for fish stocking. By a vote of 9 to 7, the amendment was adopted.

Sen. Leonard Price (DFL-Woodbury) offered an amendment to earmark 35 percent of the revenue raised for the heritage enhancement fund, 20 percent for state parks and trails, 20 percent for metropolitan parks and trails and 25 percent for improving water quality. The amendment also does not include the Heritage Enhancement Council. Price said the measure puts aside money for an issue that makes the whole proposal work: water quality.

Lessard, speaking against the amendment, said that water quality and habitat are synonymous. He said there is nothing in the bill that prevents water quality from being addressed. He also said that there is no bill without the council. "It's a killer amendment," he said.

Price offered to include the council in his amendment. He also said he is trying to focus on water quality as an important need. It will allow a way, he said, to go to work on streams, lakes, rivers and shore protection, and to do the things that are always discussed but never have enough funding. It does no harm to the proposal,

he said, to dedicate a portion of the revenues to water quality. "That's what people love in this state," he said.

Sen. Ellen Anderson (DFL-St. Paul) said virtually all Minnesotans use the state's natural resources but may not use the resources for hunting or wildlife reasons. They may, she said, just use the water. She said there should be a balance in what the money is spent on. Many lakes, she said, are not suitable for swimming anymore. "For Minnesotans that's a top priority for their dollars," she said.

Higgins moved to change all the percentages in Price's amendment to 25. That, she said, is fair to all of the needs. Dille said the bill originally specified that 57 percent of the revenues go to the heritage enhancement fund. Price, he said, reduced it to 35 percent and Higgins is reducing it to 25 percent. Pogemiller moved to amend Higgins' motion to instead leave the money dedicated to the fund at 35 percent and change the money dedicated to water quality to 15 percent. The motion, however, was not adopted. By a vote of 5 to 12, the Price amendment, including the language regarding the council, also failed.

Sen. David Tomassoni (DFL-Chisholm) presented an amendment to require at least 10 percent of the money spent by the heritage enhancement fund on fish and wildlife projects to be used for "projects to enhance forest management." Tomassoni said forest management has a lot to do with how wildlife is managed. Lessard asked Tomassoni to withdraw the amendment, and added that he would work with him on the issue. Tomassoni withdrew the amendment. Instead, members voted to insert Knutson's language from his earlier amendment—which includes the emphasis on forests—into the section regarding the heritage enhancement fund.

Knutson also offered an amendment to reduce the heritage enhancement fund from 57 to 55 percent of revenue received. The amendment also requires 2 percent of the revenue obtained to be used for the Minnesota Zoological Garden, the Como Park Zoo and the Duluth Zoo. Zoos, Knutson said, are the chief conservation and educational entities in the state. Lessard was amenable to the amendment and the measure was adopted.

Sen. Gen Olson (R-Minnetrissa) offered an amendment to reduce the amount allocated to the heritage fund to

50 percent and increase the amount allotted to state parks and metropolitan parks to 22.5 percent each. The amendment was adopted. Krentz moved to amend the bill by requiring that 3 percent of the revenues be spent on "local trail grants" instead of "grant-in-aid trails." Her amendment was also adopted. The bill was approved and referred to the State and Local Government Operations Committee.

Jobs, Housing and Community Development

Resolutions approved

Members of the Jobs, Housing and Community Development Committee, chaired by Sen. Ellen Anderson (DFL-St. Paul), met Fri., May 10, to approve several resolutions.

Anderson carried S.F. 3469, a resolution on human rights in China. The resolution urges the governor, during his business development mission to China June 7-15, to convey to government leaders of China that the people of Minnesota are concerned that the people of China are being denied fundamental human rights by the government. The resolution refers to the first amendment of the United States Constitution and states that the Chinese government has violated the rights listed there.

Anderson said it isn't her intent to stop or interfere with trade. However, she said that the governor is a celebrity and should use his "bully pulpit" to send the message that the Legislature is concerned about human rights.

"We need to use our influence to try to make some movement," she said.

Several people testified for and against the measure. Yiyuan Zhau, a practitioner of Falun Gong, spoke in support. Zhau said approximately 50,000 people have been detained in China for their practice of Falun Gong. Approximately 10,000 people, he said, have been forced into hard labor and between 400 and 500 have been killed for practicing the religion. He said the governmental repression represents one of the worst human rights abuses in history. Also, he said the human rights situation in China affects anyone doing business in the country. Ngawang Chemi, from the Tibetan American Foundation of Minnesota, also supported the resolution. Through an interpreter, Chemi said he was

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imprisoned for 3 years beginning in 1988 for protesting the Chinese government. He said he experienced torture there that is “beyond description.”

“There is absolutely no religious or human rights in Tibet,” he said.

Orin Kirshner, from the Institute for Agriculture and Trade Policy and the University of Minnesota, spoke against the resolution. Kirshner, who spent 3 years living in China, said that since 1949 the Chinese government has done away with a great deal of poverty, illness and illiteracy in the country. He said China is 1 of 5 countries in the world where women earn at least 80 percent what men earn. He also said there are around 12,000 churches in the nation with 17,000 religious individuals in a variety of government posts. China, he said, has overcome significant hurdles in their development as a nation and is making progress in reforming its political system. He also said it is important to keep in mind the problems in our own country before pointing fingers at another. Bud Philbrook, from the organization Global Volunteers, said he is not an apologist for human rights violations, but spoke against the resolution because he believed it would not be effective. Considering America’s past, he said, many Chinese will view the resolution as hypocritical. He said the vast majority of Chinese don’t see themselves as being persecuted. He also said it is better to befriend China. If they come to see us as a trusted friend, he said, they will come to see the past struggles with human rights as a model to follow.

“Our pounding on their head simply will not help,” he said. The resolution was approved and sent to the Senate floor.

Anderson also presented S.F. 3455, a resolution urging Congress to create a national affordable housing trust fund and to support current congressional legislation to do so. The resolution specifies that as of October 2000, 7,589 people are homeless on a given day, 13,740 are in danger of losing their homes, the number of people sheltered increased by 17 percent since 1997, 41 percent of homeless adults are working, 43 percent are children and 45 percent of new jobs created pay \$11.17 per hour or less. The resolution also states that Minnesota had a population gain of over 500,000 during the 1990s with an increase in total housing of only 217,501 units.

Chip Halbach, from the Minnesota Housing Partnership, spoke in favor of the resolution. He said the goal of the fund is

to create 1.5 million housing units over 10 years. The fund, he said, is targeted for extremely low income people. Charlie Warner, from Homeline, also supported the measure. Both of Minnesota’s U.S. Senators and four of its eight U.S. Representatives, he said, support the measure, as do 60 statewide organizations. The bill was approved and sent to the Senate floor.

Sen. Sandra Pappas (DFL-St. Paul) carried S.F. 3468, a resolution to ensure that international trade agreements respect the traditional authority of state and local governments to protect the public interest.

Referring to language in the resolution, Pappas said that foreign investors have already used the provisions of the North American Free Trade Agreement (NAFTA) to challenge core powers of state and local governments. According to the resolution, the challenges relate to the protection of groundwater, the power of civil juries to use punitive damages to deter corporate fraud, the ability of states to invoke sovereign immunity and decisions by a local government to deny a zoning permit for construction of a hazardous waste dump.

Hennepin County Commissioner Peter McLaughlin, representing the National Association of Counties, supported the resolution. He said counties are concerned that local laws can be preempted by trade agreements. The resolution was approved and sent to the Senate floor.

Members also approved three appointments made by the governor. Shirley Chase was approved as commissioner of the Department of Labor and Industry. Mike Finch and Peter Bernier were approved to appointments on the Minnesota Housing Finance Agency.

Rules and Administration

Gaming bill discussed

The Rules and Administration Committee met Tues., May 14, to process three bills referred to the panel because of a joint rule concerning late bills and to discuss a measure making numerous technical changes in lawful gambling provisions.

The lawful gambling bill, H.F. 3073, carried by Sen. Jim Vickerman (DFL-Tracy), makes technical, clarifying and conforming changes in laws related to lawful gambling. The measure also modifies definitions, prize amounts and

procedures for pull-tab dispensing devices. Debate on the measure centered on a section of the bill providing for “linked bingo games” and on a section authorizing electronic bingo devices.

Under the bill, a “linked bingo game” is a single bingo game in which players participate simultaneously at two or more locations and for which there is a common prize pool. The bill specifies that for a linked bingo game, there is a common selection of numbers at one location with the results of the selection being transmitted electronically to all participating organizations.

According to proponents of the measure, the “linked” games allow for larger prizes because the prize amounts from several locations are pooled together. King Wilson, Allied Charities of Minnesota, said the measure is aimed at encouraging more individuals to participate in local bingo occasions.

The electronic bingo devices authorized in the bill allow an individual to play up to 72 bingo sheets at one time. The devices allow the player to input the number announced by the bingo caller and compare the numbers to the bingo sheets purchased by the player and stored in the device’s memory.

Both bingo provisions generated numerous questions from committee members. In the interest of time, Vickerman laid the bill over in order to be able to address concerns of the members.

In other action, the panel, chaired by Sen. Roger D. Moe (DFL-Erskine), processed three late bills. S.F. 3455, sponsored by Sen. Ellen Anderson (DFL-St. Paul), is a resolution supporting the creation of a national housing trust fund. S.F. 3469, also sponsored by Anderson, is a resolution conveying the concerns of Minnesotans relating to human rights abuses by Chinese government leaders. S.F. 3468, authored by Sen. Sandra Pappas (DFL-St. Paul) is a resolution to ensure preservation of and respect for state and local authority in negotiating free trade agreements. All three measures advanced to the Senate floor.

Members also approved a resolution recognizing 100 years of Minnesota 4-H. Sen. Claire Robling (R-Prior Lake), sponsored the resolution and said the resolution celebrates 100 years of 4-H success in Minnesota and the positive developmental influence 4-H has had for Minnesota youth.

Finally, members approved a measure, H.F. 2886, specifying that members of the Leech Lake Reservation may prove residence for purposes of voter registration by showing an identification card issued by the tribal government of a tribe recognized by the Bureau of Indian Affairs. According to Sen. Anthony “Tony” Kinkel (DFL-Park Rapids), chief author, the bill is designed to serve as an additional means of showing residence when registering to vote. The bill was advanced to the Senate floor.

Closing resolutions okayed

The Rules and Administration Committee met briefly Fri., May 17, to consider several resolutions relating to the operation of the Senate after adjournment. In addition, members heard a brief presentation on a bill, S.F. 3383, providing for a constitutional amendment authorizing initiative and referendum in Minnesota. The bill, authored by Sen. Roy Terwilliger (R-Edina), requires proposals for an initiated law to be by petition from a specific percentage of voters in three-quarters of the congressional districts. Terwilliger said the measure had safeguards built in to avoid the situations that created difficulties in California and Washington—two other states with initiative and referendum. Terwilliger also said that he was not going to request a vote on the proposal, but rather urged members to consider the bill over the interim.

The panel, chaired by Sen. Roger D. Moe (DFL-Erskine), approved resolutions relating to the delivery of bills to the governor after final adjournment, notifying the other body the Senate is about to adjourn, notifying the governor the Senate is about to adjourn and regarding the conduct of Senate business during the interim between sessions.

Finally, members approved a memo relating to interim per diem and travel reimbursement.

Final meeting held

The Senate Rules and Administration Committee met for the last time this Legislative Session late in the afternoon Sat., May 18. The panel, chaired by Sen. Roger D. Moe (DFL-Erskine), considered a measure proposing a constitutional amendment dedicating 3/16 of one percent of the state’s sales tax receipts for natural resource purposes.

The bill, S.F. 1589, authored by Sen. Bob Lessard (IND-Int’l. Falls), directs 50 percent of the receipts to a newly created heritage enhancement fund to be spent only to improve, enhance, and protect the state’s natural resources, fish and wildlife and habitats for fish and hunting. In addition 22.5 percent of the receipts may be spent only for state parks and trails and 22.5 percent of the receipts may be spent only on metropolitan regional park and trail grants. Finally, under the bill, 3 percent may be spent only on local trail grants and 2 percent may be spent only for the Minnesota Zoological garden, the Como Park Zoo and Conservatory and the Lake Superior Zoological Gardens.

Committee members adopted an amendment that delays placing the constitutional amendment on the ballot until the November 2004 general election. The panel advanced the bill to the floor on a 17-3 roll call vote.

Members also approved the traditional end-of-session revisor’s bill, S.F. 2891, carried by Sen. Don Betzold (DFL-Fridley), corrects miscellaneous oversights, inconsistencies, ambiguities, unintended results and technical errors.

State and Local Government Operations

Proposed constitutional amendment discussed

Members of the State and Local Government Operations Committee, chaired by Sen. Jim Vickerman (DFL-Tracy), met Wed., May 8, to discuss a proposed amendment to the Minnesota constitution.

S.F. 1589, carried by Sen. Bob Lessard (IND-Int’l. Falls), dedicates 3/16 of 1 percent of Minnesota sales tax revenues for natural resources purposes. Under the bill, 50 percent of the amount obtained through the sales tax dedication is earmarked for the heritage enhancement fund, established to improve, enhance and protect the state’s natural resources, 22.5 percent is for state parks and trails, another 22.5 percent is for metropolitan park and trail grants, 3 percent is for local trail grants and 2 percent is for the Minnesota Zoo, Como Park Zoo and the Duluth Zoo. The proposal sets up a 15 member Heritage Enhancement Council to recommend expenditures from the heritage enhancement fund, requires any land acquired

from money in the fund to be open to fishing and hunting during the open season and requires at least 97 percent of the fund to be spent on natural resource projects. The measure also specifies that the money obtained through the sales tax dedication cannot supplant traditional funding for natural resource purposes. The constitutional amendment must be approved by Minnesota voters on the November 2002 general election ballot. Under the bill, the money is dedicated beginning July 1, 2005 and is appropriated for 21 years. The measure would generate approximately \$115 million annually.

Sen. Martha Robertson (R-Minnetonka) asked why the Legislative Commission on Minnesota Resources (LCMR) is not used—instead of the council—to recommend expenditures. The bill, she said, creates a new group, rather than just using a group that is already in place. She also said she was concerned with giving a group that is not entirely made up of members of the Legislature responsibility over general fund money. The LCMR, she said, is at least entirely made up of members of the Legislature.

“I have a real problem taking money that will no longer be under the discretion of the Legislature,” she said.

Lessard said the council is the “guts” of the bill. He said he wants the public—people in the field—involved in the process. In fact, he said if he had his way there would be no Legislators on the council.

Lessard offered an amendment to require the council to conform with the open meetings law. The amendment also requires the council to provide a master plan for expenditures, clarifies that expenses incurred by council members are not to be paid until July 1, 2005 and eliminates the phrase “other uses” on the list of items money in the fund may be used for.

Sen. Lawrence Pogemiller (DFL-Mpls.) moved to divide the amendment. The language regarding the “other uses” for the heritage enhancement fund and the expenses incurred by council members was withdrawn and the rest was adopted.

Pogemiller offered an amendment requiring that a gift ban in current law apply to members of the council. The amendment was adopted. Pogemiller also offered an amendment requiring representatives of the environmental community—along with those representing hunting,

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fishing and wildlife interests—be included on the council.

Lessard said he did not support the amendment. He said the measure is an environmental bill and that he did not know how much more environmental it can be. The environment, he said, is included in everything that is done in the bill. He said the amendment broadens the focus of the bill, especially considering what the definition for “environment” can mean. He opposes the amendment, he said, not because he doesn’t want to protect the environment, but because he wants to maintain the bill’s focus. Sen. Dan Stevens (R-Mora) said the bill is focused and that focus needs to be retained. Adding environmental interests, he said, causes the bill to spill over into areas on which the LCMR is already focused.

Pogemiller said the amendment broadens support for the legislation. Since it is an environmental bill, he said, it should be acceptable to include a person with environmental interests on the council.

“I just thought it made the bill more consistent,” he said.

Robertson said the amendment only dealt with the members of the council. It is, she said, only adding to the characteristics of the four public members of the council who are selected.

“It’s not related to the use of the funds at all,” she said. Pogemiller withdrew the amendment.

Sen. Don Betzold (DFL-Fridley) offered an amendment to clarify that the money earmarked for metropolitan park and trail grants is for metropolitan “regional” parks and trail grants. The amendment was adopted. The bill was approved and re-referred to the Finance Committee.

CONFERENCE COMMITTEES

Anti-terrorism

Offers exchanged

The conference committee on H.F. 2622, the anti-terrorism package, met late in the afternoon Fri., May 10. The panel, chaired by Rep. Rich Stanek (R-Maple Grove) and Sen. Jane Ranum (DFL-Mpls.), first considered a compromise offer sponsored by the Senate members.

The new offer continues to include a provision funding the expansion of public

safety communications through an increase in the 911 emergency telephone service fee, but the amount of the increase is less than that contained in previous offers.

Stanek responded that the House members supported funding through bonding and the general fund. “We are not going to raise taxes,” Stanek said, “You call it a surcharge, but we call it a tax increase.”

Ranum said the offer was made in good faith. “We are very interested in communications improvements as the best method for responding to disasters—man-made and natural—and we pay for it with less than a quarter.”

However, Stanek said, “Unless you can get past this tax increase, we won’t have anything.”

Rep. John Tuma (R-Northfield) moved to accept 10 items that are identical in both bills. Ranum responded that the Senate conferees were not interested in moving through the bill piecemeal and that they wanted to consider a total offer made by the House conferees.

Members debated the process by which the conference committee would conduct negotiations before House members made a counteroffer. The House offer maintained the provision funding the communications through direct appropriations and bonding. The panel adjourned to continue negotiations.

Anti-terrorism measure approved

After a long meeting, members of the Anti-terrorism Conference Committee, chaired by Sen. Jane Ranum (DFL-Mpls.) and Rep. Rich Stanek (R-Maple Grove), approved anti-terrorism language early Sun. morning, May 19.

The measure raises \$4.2 million each year through a 6 cent per month increase in telephone surcharges for current 911 services. Beginning in 2005, of the 6 cents, 1.5 cents each month is designated for public safety answering points and another 1.5 cents each month is designated for the Metropolitan Radio Board. The designations will raise \$1.4 million each year for the provisions. The bill appropriates a total of \$13 million in 2003. Of the \$13 million, \$3.75 million is for grants for police and firefighter equipment, \$7.5 million is for emergency responders training and to establish regional training centers, \$250,000 is for bomb disposal squads, \$240,000 is to add hazardous materials response (HAZMAT) teams in Duluth, Rochester and Moorhead and

\$105,000 is for statewide chemical assessment teams. Also, \$150,000 is earmarked to add all newly convicted felons to a DNA database, \$600,000 is for increased State Capitol Security, \$400,000 is for grants to medical resource control centers and \$5,000 is for salaries and expenses related to upgrading and modifying the 800 megahertz executive team report for the statewide, shared trunk radio and communications system.

The bonding bill provides for \$13 million in bonds to be sold for public safety radio system towers from the Twin Cities area to St. Cloud and Rochester, provides for bonds to be sold to render a 25 percent state match for the local costs of the radio system hookup and allows for the remaining 75 percent to be levied locally. The compromise language also provides for \$500,000 in bonds to be sold to establish an anti-terror training facility at Camp Ripley.

The bill also establishes a homeland security council to administer state and federal anti-terror funding, creates a statewide radio system governing council and increases penalties for acts of terrorism, trespassing at vital facilities and the use of weapons of mass destruction. Driver’s license restrictions for foreign visitors, including a House-sponsored provision to color code the drivers licenses of immigrants, were not included in the final measure. Also among items excluded from the final bill were provisions requiring background checks to use crop dusters and establishing a biological agents registry. The language was approved and members agreed, in order to expedite the process, to add the language in the form of an amendment to a bill awaiting action on the Senate floor.

Bonding bill

Senate makes offer

Members of the conference committee on the capital investment bill, H.F. 3618, met Thurs., May 9, to discuss a Senate offer. The panel, chaired by Sen. Keith Langseth (DFL-Glyndon) and Rep. Jim Knoblach (R-St. Cloud), took no action on the bill.

Langseth began the meeting by saying that after weeks at an impasse, the conferees still did not have a target figure for bonding projects. He said Senate Minority Leader Dick Day (R-Owatonna) had proposed splitting the difference equally



Senators Pat Pariseau (R-Farmington), far left, and Thomas Neville (R-Northfield), center, listen as Minority Leader Dick Day (R-Owatonna) talks legislative strategy during a recent floor session.

Photo by David J. Oakes

between the House and Senate bills, arriving at a total of \$908 million. However, Langseth said, only three of the four caucuses had agreed the Day proposal was fair. "We feel that this \$908 million plan can go to the governor," Langseth said in presenting the Senate offer. He said the offer is well-balanced across the state, though it invests heavily in higher education and natural resources projects.

After a recess for the House conferees to consider the offer, members examined specific items in the bill. Among them was a \$1 million difference between the House and Senate proposals for building a new science building on the Winona State University campus highlighted by Rep. Dan McElroy (R-Burnsville). He said the main difference seems to be whether the building should have a plain or ornamental roof. Sen. Deanna Wiener (DFL-Eagan) said the predesign for the building has already been done and going backwards in the process will cost at least \$1 million, resulting in no net savings. Alan Johnson,

MnSCU, said the pitched roof proposed for the building is not ornamental but will be compatible with other buildings on campus and protect many mechanical systems that are housed on the roof. He said building the structure with a flat roof will require raising the walls and halve the roof's lifespan.

Sen. Don Samuelson (DFL-Brainerd) moved to adopt the Senate figures for projects, leaving the conference committee to resolve differences on language that had been identified by research staff and legal counsel. Knoblach said the Senate proposal was constructive but that the House believed \$908 million was still too much to be borrowing, especially with a possible deficit in future biennia. The motion failed with all Senate conferees voting for it and all four present House conferees voting against it.

"What does the House think is a fair number? Does the House even think we should have a bonding bill?" asked Samuelson. Knoblach said the House had

a different view of the fair middle than the Senate. He said the Senate passed its bill before the limit on bonding had to be revised downwards after the February forecast. Also, Knoblach said, the House funded several programs in the bonding bill that the Senate funded with a general fund appropriation.

Sen. Richard Cohen (DFL-St. Paul) said the House was a moving target. He said Knoblach's first statement suggested a target of about \$860 million but was contradicted by his second statement, which implied that the House position should be revised further. Knoblach said a more appropriate middle figure, which excludes the other programs, is about \$823 million. Langseth said a capital investment bill with a total in the low \$800 million range was inadequate.

Seeking to find some compromise, Rep. Dave Bishop (R-Rochester) suggested the conferees adopt the programs that both bodies funded at the same level. Langseth said the proposal sounded nice at first, but

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ran up against a major problem: prioritization. He said the Senate had crafted a priority list when drafting its bill. The Senate would rather negotiate for a higher priority item that the House did not fund than agree to fund a low priority item, Langseth said.

Negotiations falter

Members of the Capital Investment Conference Committee came close to an agreement at a meeting Wed., May 15. However, a disagreement over the use of a \$13 million appropriation for the emergency radio system prevented members from completing work on the bonding bill, H.F. 3618. The panel, chaired by Rep. Jim Knoblach (R-St. Cloud) and Sen. Keith Langseth (DFL-Glyndon), had developed a package that provides for \$881.165 million in bonding with an additional \$5.946 million in general fund appropriations. Those totals are off-set by bond and general fund cancellations of \$7.037 million. The net spending contained in the measure is \$880.074 million.

At the beginning of the hearing, Langseth said higher education and the environment are the big, big winners in the bill. The measure provides a total of \$160.209 million for the University of Minnesota and \$209.563 million for the MnSCU system. Environmental spending for a variety of projects totals \$101.612 million.

The measure also contains funding of \$24 million for the Guthrie Theatre, \$5 million for the Minneapolis Children's Theatre and \$92.5 million for transportation projects. The compromise measure contains no funding for the Northstar rail corridor, but does include \$20 million for a Northwest Metro busway.

At the outset of the meeting, Sen. Don Samuelson (DFL-Brainerd) offered an amendment to add a \$20 million appropriation for the Northstar rail corridor. Rep. Dan McElroy (R-Burnsville) argued against the amendment and said, "The House has determined that the Northstar corridor is not a smart transit alternative. The busway that is included in the bill is a more modern method of smart transit." The amendment failed.

Sen. Deanna Wiener (DFL-Eagan) questioned the appropriation of \$13 million for the 800 megahertz public safety radio system. "The Senate has not agreed on the dispersement of the \$13 million and we would like to leave this for the

anti-terrorism conference committee to work out." Sen. Dave Bishop (R-Rochester) disagreed and said the House had studied the issue very carefully and had concluded that the appropriation designation, for the radio backbone to extend to the Southeast, was the designation agreed upon.

The panel was unable to resolve the dispute and adjourned without taking action.

Budget reconciliation

Negotiators meet over weekend

Members of the conference committee on H.F. 3270, the second phase of budget reconciliation, met Sat., May 11, and Sun., May 12, in an effort to resolve major areas of contention on the bill and present a solution with enough time to override a possible veto before the 82nd Legislative Session's final adjournment.

The panel, chaired by Sen. Douglas Johnson (DFL-Tower) and Rep. Kevin Goodno (R-Moorhead), met briefly Sat., May 11, to update the public on negotiations between specialists in various areas of the budget, including health and human services, K-12 education and taxes. "We're making progress, but we're not yet there," said Johnson. He said the conferees have agreed on a few areas, including not using tobacco endowment funds for any use other than cash flow. Johnson said that no taxes increases with a net impact on the general fund will be considered. "There seems to be some consensus to reopen the people's residence on Summit Avenue," he said, after the structure had been closed because of cuts to the governor's budget. Conferees had also agreed, he said, to provide \$10 million for debt service and \$13 million for anti-terrorism efforts out of the general fund FY 02-03 budget. Johnson also said the panel agreed to cut the Legislature's budget by \$5 million.

Sun., May 12, the panel reconvened to adopt an agreement on the health and human services sectors of the budget. Goodno said the House had moved back from cuts in Emergency Assistance, Emergency General Assistance and General Assistance Medical Care. Joseph Flores, House fiscal analyst, outlined the agreement, which includes a \$900,000 deficiency appropriation for veterans' homes, a restoration of \$4 million to the State Operated Services (SOS) and a restoration of half of the hiring freeze

reductions at the Dept. of Corrections and SOS. Goodno said there were four remaining issues that he wanted to resolve through considering four amendments. All four amendments were rejected by the committee. They included provisions reducing family planning special project grants by over \$1 million, limiting grants to organizations not performing abortions nor referring persons to abortion providers and converting family planning grant funds to natural family planning. Goodno also offered the so-called "Women's Right to Know" amendment as one of the four.

Sen. Linda Berglin (DFL-Mpls.) offered an amendment extending the 60-month limit on the Minnesota Family Investment Program by 12 months. She said the extension will cost about \$4.5 million, none of which will come from the general fund. The amendment was not adopted by the panel. Conferees then adopted the health and human services agreement.

Johnson said that three major issues remained: taxes, K-12 education and a budget reserve. He said experts on the first two areas were still working. "The one big piece that has eluded us so far is a mechanism to provide a substantial budget reserve," he said. The Senate proposal is to refinance \$245 million of general fund appropriations for transportation projects with bonds and transfer the cash to the budget reserve. Goodno said the proposal was unacceptable to many members of the House because the net effect is still to take \$245 million of transportation projects out of play. "That is \$245 million in bonding that could be done now," he said. Johnson said that all proposals to provide a budget reserve have had problems. The House has rejected, among other offers, cigarette tax increases and temporary income tax increases. "We cannot think of anything else available," Johnson said, and the House needs to suggest a solution. Sen. Dick Day (R-Owatonna) said the Senate Republican caucus supports using funds in the tobacco endowment. He said many states are using their tobacco money to get through the recession and Minnesota should follow.

Conferees adjourned to continue work on the outstanding areas in the bill.

Offers made

Members of the Budget Reconciliation Conference Committee, chaired by Sen. Douglas Johnson (DFL-Tower) and

Rep. Kevin Goodno (R-Moorhead) met Mon., May 13, to discuss a House offer regarding K-12 education issues.

Johnson said the biggest issues still facing the committee are K-12 education, the budget reserve and consultants and contracts. Goodno said taxes are also still an issue. Goodno presented a House offer regarding K-12 education containing three options from which to choose. The first two options both include Senate language providing for permissive private alternatives, technical language regarding the Minnesota state academies for the blind and the deaf, fund transfers for the Butterfield and Truman School Districts and a \$5 million reserve of operating capital for school telecommunications. The first offer includes several levies, including \$20 per pupil for safe schools, which is a \$9 increase from current law. The first option also includes appropriations for declining pupil aid for four Iron Range school districts in the Senate bill, appropriations for declining pupil aid for Albert Lea, \$1.3 million for a statewide public employee health benefits study and \$10 million in referendum equalization aid. Under the offer the equalization aid is paid for by using either local government aid growth, ongoing tobacco payments or by refinancing Temporary Assistance to Needy Families (TANF) funds. The second offer includes only the safe schools levy and appropriations for Albert Lea and the health benefits study. The third offer, which constitutes the original House position, includes no K-12 provisions.

After a recess, Johnson presented a Senate counteroffer regarding K-12 education. The offer delays 16 percent of the state's payments to school districts—and appropriates \$15 million in 2003 for schools with cash flow problems as a result of the delay—and includes aid for several school districts and the Perpich Center for Arts Education. The offer contains a number of levies—more than the previous House offers—including \$20 per student for safe schools. The offer also contains an appropriation of \$1.3 million in 2003-04 for the statewide public health benefits study and telecommunications funding for schools. The Senate offer was not approved.

Members voted on each of the three House offers. Each vote failed. Members also took a number of votes on K-12 provisions, and other issues, to solidify their positions on certain issues. All the votes also failed.

Members approved various health and human services budget provisions. The approved proposal restores cuts to some areas—including \$4 million for state operated services—and reduces funding in other areas. The measure includes budget riders for the Department of Human Services, Department of Health and the Veteran's Homes Nursing Board, and exempts the Department of Human Services from the hiring freeze and contract moratorium—established earlier in the session—for the purposes of establishing and implementing the supplemental drug rebate program. The measure also makes changes to surcharges on licensed nursing home beds, delays implementation of a provision that prohibits certain Intermediate Care Facilities for People with Mental Retardation (ICFs/MR) from receiving variable rate adjustments, modifies the definition of income for MinnesotaCare enrollees who are farm employed and modifies Minnesota Family Investment Plan (MFIP) hardship extension provisions.

Emergency health powers

Agreement reached

Members of the Emergency Health Powers Conference Committee, chaired by Sen. John Hottinger (DFL-Mankato) and Rep. Richard Mulder (R-Ivanhoe), met Thurs., May 2, to hash out an agreement that incorporated provisions from both the House and Senate Bills. The conference committee report was adopted pending review of the final draft of the document.

House members agreed to substitute a language change throughout the bill where any reference to "bioterrorism" is changed to "public health emergency," the term used in the Senate bill.

Mulder moved that the committee adopt the House language related to the declaration of a national security emergency and the declaration of a peacetime emergency, which requires the governor to call the Legislature into session at the time of declaration unless the Legislature is already in session. The language was adopted.

Members also adopted Senate language that incorporates public health emergency language into existing provisions related to the governor's rules and orders and emergency powers. Another provision from the House language that was adopted was the requirement for the

governor to consult with public health experts before declaring a national security emergency or peacetime emergency. Members adopted a request by Department of Health Commissioner Jan Malcolm to add the director of homeland security and the commissioner of public safety as individuals with whom the governor must consult before an emergency declaration. The same directors are also included in a task force that will study emergency health powers issues in a provision found later in the bill. The committee also adopted House language that automatically terminates a emergency declaration due to a public health emergency in 30 days, or allows the Legislature to terminate the declaration at any point.

Malcolm said one of the most important tools for the department is the House language adopted by the committee that gives the governor authority to ensure safe disposition and identification of dead bodies. Members also adopted House language that allows the commissioner of health to classify data related to an individual believed to have contracted a communicable disease due to a public health emergency.

Members adopted House language that outlines an individual's right to refuse examination and treatment during a public health emergency, but reserved the right of the commissioner of health to isolate or quarantine that individual. Members adopted an additional Senate provision that requires health care providers, when feasible, to notify individuals of their right to refuse examination and treatment and the possible consequences of isolation and quarantine upon refusal.

The committee adopted House definitions for communicable disease, isolation, and quarantine. Members also adopted the House provisions that described the general requirements for the isolation and quarantine of individuals. Rep. Thomas Huntley (DFL-Duluth) said the language is designed to create the least restrictive environment possible for effective quarantine. Malcolm said the provisions contain appropriate checks and balances and the inclusion of individual rights. The committee also adopted House language related to due process procedures during isolation or quarantine. According to the bill, the commissioner of health must get an ex parte court order authorizing the quarantine or isolation of indi-

Committee update

viduals. An additional provision was adopted that states a person cannot be quarantined for longer than 21 days.

Members adopted House provisions related to how long an individual may be isolated or quarantined without an executive order, but amended the amount of time from 72 hours to 48 hours.

The committee also adopted the House language that describes the study of the emergency health powers issues. Among the topics that are included in the study are provisions for immunity from

liability for health care workers involved in a public health emergency, due process protections for individuals under quarantine, the enforcement methods used to ensure compliance with emergency measures and the impact of the recommendations on the constitutional rights of citizens. At the request of Hottinger, members agreed to allow a member of the Board of Animal Health to participate in the study, and include the ways to preserve the effectiveness of fluoroquinolones and other antibiotics that are vital to protect-

ing human health as an additional study topic.

After a period of discussion, members established the sunset date of the bill as Aug. 1, 2004.

Sen. Warren Limmer (R-Maple Grove) offered an amendment that clarifies the definition of medical supplies. The amendment was adopted.

Report adopted

In a brief Mon., May 6, meeting of the Emergency Health Powers Conference Committee, chaired by Sen. John Hottinger (DFL-Mankato) and Rep. Richard Mulder (R-Ivanhoe), members adopted the final draft of the conference committee report for H.F. 3031.

Members adopted a technical amendment that made no substantive changes to the bill.

Sen. Warren Limmer (R-Maple Grove) offered an additional amendment that requires the recommendations of the emergency health powers study group to be published in the State Register, allows the public to comment on the recommendations for 30 days, and requires that all meetings be open to the public. Hottinger said that he was concerned about the precedent of reopening the bill at this stage. Limmer replied that his intent wasn't to rehash the issues, but address little things that sometimes slip through. Mulder said that the bill clarifies to the public that there won't be any secret meetings. The amendment was adopted.

The conference committee report for H.F. 3031 was adopted as amended.

Omnibus jobs bill

Final agreement reached

Members of the conference committee on S.F. 3431, the omnibus jobs and economic development bill, reached a final compromise on the many issues within the legislation Tues., May 14.

The panel, chaired by Sen. Ellen Anderson (DFL-St. Paul) and Rep. Dan McElroy (R-Burnsville), agreed to offer 13 weeks of extra unemployment benefits to employees laid off from airlines and airline-related industries, employees laid off from the St. Cloud, Eveleth and Mora locations of Fingerhut and employees laid off from Farmland Foods. The final bill also extends unemployment benefits for laid off workers who do not qualify for



Sen. Leonard Price (DFL-Woodbury) displays the latest version of the state's "Critical Habitat" license plate, bottom, along with the previously released edition in front of the Capitol Tues., May 14.

Photo by Shelley Hawes

benefits under federal law. Under the bill, employers may not require employees or prospective employees to pay for background checks or training required by law. Conferees agreed to change the split of redevelopment funds allocated by the Department of Trade and Economic Development. Under current law, such funds must be given in a balanced way, with a minimum of 25 percent going to rural projects. The conference committee report changes the split to 50 percent so long as adequate applications are received for projects in both Greater Minnesota and the Metro Area.

The bill also provides that parents of foster children have the same benefits for school conference and activity unpaid leave as parents of biological and adopted children. An agreement on youth employment was reached that requires that priority be given for projects using Youthbuild, provided that the project work is appropriate and the use of Youthbuild will not increase the cost of the project.

Anderson moved the Senate position on ergonomics standards as one of two final amendments to the report. McElroy said the commissioner of labor and industry was against the language and favored an advisory system toward reaching ergonomics guidelines. The amendment was not adopted. Anderson also offered an amendment requiring the commissioner of labor and industry to report back to the Legislature on the Dept. of Labor and Industry's activities regarding possible ergonomics standards. She said the amendment does not predispose recommendations for standards or even that there will be such recommendations. The amendment was not adopted.

Pledge of Allegiance

Bill provisions debated

Members of the conference committee on H.F. 2598, a bill that requires the recitation of the Pledge of Allegiance in all public and charter schools, compared and debated competing provisions of the bills Wed., May 8. The committee, chaired by Sen. Mady Reiter (R-Shoreview) and Rep. George Cassell (R-Alexandria) failed to reach an agreement on language.

Senate Counsel Ann Marie Butler and House Counsel Lisa Larson presented a side-by-side comparison of the bills. According to Butler, the bills contain the

same language regarding the requirement to recite the Pledge, but the Senate bill also calls for weekly civics education. Minnesota School Boards representative Bob Meeks asked members to add language that clarifies that the civics education requirement is limited to when school is in session.

Larson said that the House language simply states that any student or teacher may be excused from reciting the Pledge without penalty. However, Butler said the Senate adds a provision that the adult person in charge of the class must discuss the history and meaning of the Pledge at the beginning of the school year, and also inform students that any student wishing not to say the Pledge should not be considered unpatriotic.

Reiter said the Senate added the provision because members felt teachers had to say something about those who chose not to participate because of feedback from constituents of diverse backgrounds who felt the language was necessary. Sen. Steve Murphy (DFL-Red Wing) said the language contained in the Senate provision was drafted by members of the American Legion, and represents a compromise between the Legion and the author of the amendment, Sen. Mee Moua (DFL-St. Paul). "The Senate is pretty firm with the language," said Murphy. "It speaks to the folks who choose not to say the Pledge whose concerns need to be addressed. I applaud the Legion members who drafted the language. It shows respect for the rights of everyone."

Cassell said he had serious difficulty with the provision because it sends the wrong message to students. "In my years of experience as an educator, we just don't get up in advance to make an announcement before the activity is started," he said. Rep. Paul Marquart (DFL-Dilworth) agreed. "The provision is problematic because it draws attention to students that they don't have to say the Pledge," he said. "It tends to single out the Pledge in a negative way."

Moua defended the provision because it provides a broader context for Pledge recitation. "If we have rote recitation of the Pledge, people won't have an understanding of what they are saying," Moua said. "The language gives the teacher the opportunity to say that people have the right, for personal or religious reasons, not to say the Pledge. It is a wonderful teaching moment about patriotism and what it means to be an American."

Reiter said she preferred that a substitute word would be found for "unpatriotic" because of its negative connotations. Marquart said that the provision waters down patriotism to the lowest common denominator.

Orville Otterness, legislative chairman for the American Legion, said that while they supported the House version of the bill, they recognized the need for compromise. He said the Legion continues to support the Moua amendment.

Larson said both bills allow local school districts to waive the Pledge requirement, but the House bill states schools boards must waive the requirement annually by a majority vote. Meeks said that such annual reviews are reserved for contracts. "This type of micromanagement isn't necessary. Allow school boards to make the decision at any time," Meeks said.

Rep. Bruce Anderson (R-Buffalo Township) made a motion for the committee to adopt the House language with an additional provision that schools must describe the Pledge requirement in the student handbook. Moua said she objected to the motion because it ignored the Senate debate on several key provisions.

Two seniors from Eden Prairie High School, Brianna Moody and Sam Neher, said they supported an open discussion format. "We think it is a wonderful idea to educate everyone in a discussion format so students can understand why people chose not to say the Pledge. It will lead to more understanding of people with differences," Moody said.

Anderson's motion failed on a tie vote. The meeting was adjourned.

Clear Indoor Air Act and Profile of Learning

Identical language adopted

Members of the conference committee on S.F. 3133, chaired by Sen. Dan Stevens (R-Mora) and Rep. Marty Seifert (R-Marshall), met to discuss the Clean Indoor Air Act and the Profile of Learning. Versions of the bill passed by each body included identical language relating to implementation of the Clean Indoor Air Act. The identical language—which prohibits Department of Health (MDH) rules adopted after Jan. 1, 2002, from taking effect without approval of the rules in law—was adopted by conferees.

Committee update

Pat Conley, MDH, said an administrative law judge reviewing the adopted rules issued a report saying the department had not overstepped its bounds in issuing rules requiring separate ventilation in restaurants with smoking sections. She said the department, though, did not have a position on the legislation delaying the effective date of the rules until after Legislative approval.

Members then turned to consideration of House language requiring all rules to get approval from the Legislature before they become effective. Tom Joachim said the Dept. of Administration is in the final stages of 10 sets of rule adoptions to update the state building codes. He said the department has held over 100 advisory meetings with the industries involved in the proposed rule changes. Joachim said the impact of the proposed legislation is to delay many construction projects until after next session. Stevens said most rule changes are very technical. "I don't know that we have the expertise in the Legislature to deal with all those changes," he said. Sen. Sandra Pappas (DFL-St. Paul) said there used to be a joint commission on rules. However, she said, the commission was abolished. Controversial rules, she said, receive legislative consideration anyway.

Seifert said the House concern was that many constituents, both his own and those of other members, offer complaints about requirements imposed upon them. He said that in almost every case, the requirements came about because of rulemaking. It is wrong for people without election certificates to be making laws everyone has to live by, Seifert said. After administrative officials have made rules with the effect of law, the Legislature often has to go back to undo what has been done, he said. Conferees voted not to accept the proposed language from the House.

A House provision in the bill—prohibiting the commissioner of the Dept. of Children, Families and Learning (CFL) from implementing the Profile of Learning—dominated the remainder of the panel's discussion. Assistant Commissioner Jessie Montano said CFL has two concerns with repealing the Profile. Without the Profile, she said, the state is without any standards or requirements for students, which could leave the state and individual districts open to legal action. Montano also said the state is at the risk of losing its

eligibility for federal funding without the standards included in the Profile. Stevens said he understands the need to comply with federal requirements for standards, but the amount of federal money the state receives is too small. He pointed to a study reporting that Minnesota is at the top of national achievement rankings for fourth- and eighth-graders, but is fifth from the bottom in a ranking of states' standards and accountability. "The Profile either needs to be repealed or needs drastic changes," he said.

Montano said the report contains several positive comments on the Profile. She said the report indicates that students have enhanced higher order thought under the Profile education system. States with high standards rankings in the report, Montano said, only require students to regurgitate information, not apply it. Seifert said the fight to repeal the Profile is no longer politically driven. "This is not just right-wing ghoulies," Seifert said. He said there are serious problems with the Profile, but Legislators are not hearing solutions from the department.

Profile discussion continues

Members of the conference committee on S.F. 3133 met Mon., May 13, to continue discussion of proposed legislation repealing the Profile of Learning. Before turning to that subject, however, the panel adopted an amendment permitting school districts to offer an additional testing opportunity to students of limited English proficiency who are in their anticipated graduation year.

Vernae Hasbargen, representing the Minnesota Rural Education Association, said it is critical for the state to look ahead on the standards issue, especially because of federal funding. She said the state must fix the Profile, but not repeal it. Reports have been commissioned by the department, after legislative concerns were raised, and recommendations are in from those reports, Hasbargen said. However, she said, both the House and Senate have failed to move forward with the recommendations from those reports. Hasbargen said she believes the Dept. of Children, Families and Learning (CFL) has done its work to begin changes to the Profile. She said that if Legislators are interested in starting over, then a replacement set of standards should be offered by lawmakers. The bill, she said, contains only a repeal of the Profile but nothing to fill the gap. This is not the year to go home and justify

losing over \$200 per pupil in federal money, Hasbargen said.

Lisa Lindberg, a private citizen involved in a grassroots effort to maintain Minnesota standards, said Legislators are misguided in accepting a low grade on accountability mentioned at a previous meeting. She said the low grade was based on a standard of whether a state has a mandated core curriculum. Lindberg said Minnesota has always valued local control of schools, and thus avoided a core curriculum. The Profile, she said, is broad and flexible. Lindberg said that many teachers have said they will not risk engagement with proposed standards or changes in Minnesota's education system again if the Profile is scrapped.

Rep. Marty Seifert (R-Marshall)—who co-chaired the panel with Sen. Dan Stevens (R-Mora)—said that children educated at home and in private school are performing well without the Profile. Lindberg said that private schools tend to have much higher parental involvement in the educational process, which will affect student performance. She also said that many private schools are examining the Profile, though they are not adopting it outright.

Rep. Gene Pelowski (DFL-Winona) said there are no guarantees the state will lose federal funding if the Profile is repealed. Assistant Commissioner of CFL Jessie Montano said other states are already being notified that they are at risk of losing funding. She said the federal government has a review process to determine if a state is in compliance. Minnesota is scheduled for review in August and September 2002, Montano said.

Seifert suggested the conferees could find a solution by repealing the old rules, granting new rulemaking authority to CFL for the creation of standards and requiring the new rules to be approved by the Legislature. Sen. Sandra Pappas (DFL-St. Paul) said she was not willing to throw out the work that has been done because she does not agree that the current system is ruined. Pappas suggested that CFL be granted new rulemaking authority and require that the new rules receive legislative approval.

Final agreement reached

Members of the conference committee on S.F. 3133, chaired by Sen. Dan Stevens (R-Mora) and Rep. Marty Seifert (R-Marshall), met Tues., May 14, to finalize

work on the bill, which requires Legislative approval of rules implementing the Clean Indoor Air Act before the rules can take effect. A version of the bill also repeals rules implementing the Profile of Learning.

Seifert reintroduced an offer he had made at the end of the last meeting, which included repealing the Profile and granting the commissioner of the Dept. of Children, Families and Learning (CFL) new rulemaking authority. Sen. Sandra Pappas (DFL-St. Paul) said she appreciated the House efforts to reach a compromise. "I think it is irresponsible, though, to give up on this without giving the department the power to fix the specific problems," she said. Seifert said his proposal does not prohibit school districts that like the Profile from continuing to use it. Pappas suggested conferees consider granting the department new rulemaking authority, subject to Legislative approval of the rules, without repealing the Profile. She said she was worried about losing federal money without a concrete set of rules in place. Members did not adopt the Seifert offer.

Sen. Lawrence Pogemiller (DFL-Mpls.) offered an amendment granting the department new rulemaking authority. He said that without new authority, the Profile is stuck in limbo. The solution is a win-win, he said, because if the educational situation gets worse, the House position to repeal the Profile is improved. On the other hand, Pogemiller said, if the educational situation improves, then the Senate position to stay the course is strengthened. The amendment was not adopted. Members then adopted a conference committee report including identical language requiring Legislative approval of rules implementing the Clean Indoor Air Act and language permitting school districts to offer students of limited English proficiency an additional testing opportunity during their anticipated graduation year.

Stadium

Deal reached

After extensive negotiations behind closed doors well into the evening of Fri., May 18, members of the Stadium Conference Committee, chaired by Sen. Dean Johnson (DFL-Willmar) and Rep. Harry Mares (R-White Bear Lake), reached an agreement on a stadium financing.

The conference committee report for H.F. 2214 requires the Twins to pay \$120 million cash up front, which will be

deposited into a gift fund. The state will issue \$330 million in revenue bonds, the proceeds of which will be used by the host city to construct an open-air, roof-ready stadium. The gift fund balance will be invested over 30 years to pay the \$330 million bond principal.

The stadium's host city is allowed to hold a referendum regarding a local food, hotel and liquor taxes increase of up to 5 percent to cover the debt service on the state bonds. The plan includes a provision that allows the host city to implement a stadium ticket tax of up to 5 percent in case financing plan revenues fall short. The host city is also limited to spending no more than \$50 million on infrastructure to limit excessive bidding proposals.

In a heavily lobbied and debated issue, Hennepin County is excluded from forming a partnership with Minneapolis to bid for a stadium because the bill defines the host municipality exclusively as a city or an alliance of two cities.

Under the plan, the Twins are responsible for all upkeep of the stadium, but receive all revenues from the stadium. The Twins are required to sign a 30-year lease with no escape clauses, and the bill requires Major League Baseball to guarantee the Twins will remain in the stadium for at least 30 years.

Also included in the bill are provisions facilitating the first stage of a joint Minnesota Vikings/University of Minnesota football stadium. The bill creates a football stadium account and funds the account with \$500,000 from reserves at the Metropolitan Sports Facility Commission. The bill also transfers any proceeds from the sale of the Metrodome to the football stadium account.

FLOOR UPDATE

Monday, May 6

Pesticide bill passed

In a brief floor session Mon., May 6, members debated a bill that allows the use of pesticides in certain situations. S.F. 3463, carried by Sen. Steve Murphy (DFL-Red Wing), was granted final passage in a 60 to 0 vote.

Murphy said the bill clarifies the use of pesticides that had been prohibited by previous legislation. The bill creates exemptions in four categories, he said. According to the bill, a pesticide cannot

be used on a human by overspray or target site spray except if the pesticide is intended for human use, for mosquito control before June 30, 2003, for control of gypsy moths or forest tent caterpillars, or if the pesticide is required to address a public health risk. Murphy added that the pesticide used to eradicate the gypsy moth is a naturally-occurring biological agent.

When asked by Sen. Jane Ranum (DFL-Mpls.) how the bill balances between the need to address the gypsy moth problem and the safety of children and adults, Murphy said care has been taken to use only the least toxic chemicals as required by the legislation. "We have enough mechanisms in the bill to ensure all steps have been taken to ensure safety."

Sen. Ellen Anderson (DFL-St. Paul) said the real controversy has been with the mosquito control provisions because they require chemical agents. Anderson said the bill inadvertently exempts mosquito spraying efforts from the requirements that the least toxic chemical be used and that no other practicable alternatives for control exist. Murphy offered an amendment that removes the exemption that concerned Anderson regarding mosquito control operations. The amendment was adopted, and the bill was granted final passage.

Wednesday, May 8

Quick session

Members convened for a very brief floor session Wed., May 8, in order to process work at the Senate Desk. In addition, members adopted the conference committee report for S.F. 2707. Author Sen. Steve Kelley (DFL-Hopkins) said the bill creates a task force that plans to develop an electronic real estate filing system that will replace the current documents filed on paper. Kelley said the task force is funded by a small increase in real estate filing fees. The only House addition, he said, is the creation of pilot projects to test the electronic systems. The conference committee report was adopted and repassed 55-0.

Thursday, May 9

Several bills repassed

Members of the Senate met Thurs., May 9, to discuss several conference committee reports.

Floor update

S.F. 2448, carried by Sen. Don Betzold (DFL-Fridley), requires personal information to be disclosed by the Department of Public Safety when the use of the information is related to the operation of a motor vehicle or to public safety. The bill specifies that information is related to public safety if it concerns the physical safety or security of drivers, vehicles, pedestrians, or property. The bill allows disclosure to be refused if it is concluded that the requester is likely to use the data for illegal, improper, or non-investigative purposes. The measure also changes current law to specify that disclosure does not include public dissemination.

Sen. Warren Limmer (R-Maple Grove) said the bill is vague and goes too far. The bill, he said, allows the disclosure of personal information even if the information may be used for illegal purposes. Also, he said the word “improper” is not defined.

“This bill is so broad you can drive a school bus through it,” he said. “I think we have to be more protective of individual rights.”

Betzold said Limmer had some good points. But, he said, the federal law regarding personal information has changed, and the measure is an attempt to conform Minnesota law to a law that he said is not very well thought out.

Sen. John Marty (DFL-Roseville) also said he was troubled by the language. He asked why the bill only allows disclosure to be rejected if the information might be used for illegal purposes and does not prohibit disclosure instead. Limmer agreed that a prohibition is needed. He also asked how it can be determined if information might be used wrongfully. He said there are people who will use personal information with malicious intent, such as to stalk someone. Current law, he said, is already good, and it protects people’s rights.

“I think we can write a better bill,” he said.

Betzold said that two years ago the information was public anyway. He also said the measure tries to balance the public’s right to know with the public’s right to privacy. The measure, he reiterated, conforms Minnesota law to federal law.

“This is a way we can make Minnesota law work,” he said. The bill was approved and given re-passage by a vote of 35 to 21.

Sen. Richard Cohen (DFL-St. Paul) presented S.F. 3246. The measure—called



Costumed Historical Society staff gathered on the front steps of the Capitol Mon., May 13, as part of a rally to help kick off “Grand Excursion 2004”, an upcoming commemorative event honoring the importance of the Mississippi River and it’s river towns and recreating 19th century riverboat travel. Photo by Shelley Hawes

the “do not call” bill—prohibits telemarketers from calling people named on a state administered list of people who do not want to be called by telemarketers. The bill requires telemarketers to buy the list from the state for up to \$500 and prohibits telemarketers from calling anyone on the list starting Jan. 1, 2003. The measure also imposes penalties for those who do call people on the list.

Exempted from the prohibition are businesses who have a prior or current relationship with the residential subscriber, nonprofit organizations and solicitors who complete the sales presentation at a later face-to-face meeting. Cohen said the bill goes a long way toward doing what citizens of the state want.

Marty moved to reject the recommendations of the conference committee and

send the bill back to the committee. The conference committee, he said, never met publicly. He said all of the negotiations were held in private and that there was no public testimony regarding the issue. Marty also said the bill includes many exemptions. As a result, he said that although the bill is called the do not call bill, it should be called the “go ahead and call anyway bill.” Specifically, Marty pointed to the exemption for businesses that have a prior or current relationship with a subscriber. He asked who in the Twin Cities area didn’t have at least a prior business relationship with Qwest. Marty also said there was only one dissenting vote in the Senate and only 8 in the House for the original bill.

Cohen said the bill is not perfect. He said compromises were made in order to ensure passage—especially, he said, passage in the House. However, he said the bill is between 75 and 80 percent of being an ideal bill. In a legislative process, he said, that is a victory.

Sen. Dave Kleis (R-St. Cloud) spoke in support of Marty’s motion. The measure, he said, is important legislation and he assumed there would be public testimony. He said the bill should be sent back to the conference committee to have public testimony. Sen. Dave Knutson (R-Burnsville) spoke against the motion. He said the bill has been dealt with for a long time and that interest groups with competing interests were involved in the process. He also said that if it is sent back there is no guarantee regarding what, if anything, will come back to the Senate floor.

“If we’re going to get anything this year I think this is the language we’re going to get,” he said. Marty’s motion failed by a vote of 22 to 36. The bill was granted re-passage unanimously.

Sen. Don Samuelson (DFL-Brainerd) carried S.F. 2727, the Department of Natural Resources lands bill. The bill modifies land acquisition procedures and certain local planning regulations. The measure also adds to and deletes from state parks and state recreation areas, establishes the Cuyuna Lakes state trail, restricts taking fish on certain waters, authorizes public and private sales, conveyances, and exchanges of certain state land and modifies provisions for selling tax-forfeited land. The bill was given re-passage.

Members also granted re-passage to H.F. 3200. The bill, carried by Sen. Sheila

Kiscaden (R-Rochester), establishes guest licenses for dentists and dental hygienists who are licensed or registered in a state bordering Minnesota and who want to provide dental care at a public health setting in Minnesota to needy patients who have difficulty accessing dental care.

Monday, May 13

Pension bill approved

The Mon., May 13, floor session was dedicated to the passage of the omnibus pensions bill and adoption and repassage of several conference committee reports, including the omnibus Department of Public Safety (DPS) policy bill. The opening portion of the session was dedicated to paperwork at the front desk.

The omnibus pensions bill, H.F. 3127, was carried by Sen. Dean Johnson (DFL-Willmar). Johnson said the bill primarily consisted of cleanup language and briefly described the various provisions found in the bill. One significant deletion, Johnson noted, was the elimination of a study to examine the creation of a statewide fund for volunteer firefighter relief associations. Johnson also offered a technical amendment and an amendment pertaining to accelerated optional retirement annuities. Both were adopted.

An amendment, offered by Sen. Dick Day (R-Owatonna) was adopted that provides survivor benefits for the family of a former police chief in Hayfield who was injured on the job and subsequently died as a result of his injuries, was adopted. Sen. Jane Krentz (DFL-May Township) offered an amendment that allows a particular constituent to buy back out-of-state teaching time that will facilitate an early retirement under Public Employees Retirement Association (PERA) guidelines. The amendment was also adopted.

Another amendment was brought forth by Sen. Anthony “Tony” Kinkel (DFL-Park Rapids). The amendment allows a former state legislator from Hubbard County to receive service credits for work as a state employee that are not factored into her current PERA benefits. Sen. Michelle Fischbach (R-Paynesville) offered an amendment that allows for prior service credit purchase refunds for certain purchases made before changes in the national tax law. Sen. Lawrence Pogemiller (DFL-Mpls.) brought forth an amendment that allows board members of service cooperative units to delegate specific powers of the committee. All amendments were adopted.

H.F. 3127 was granted final passage, 59-0.

After a recess, Sen. Steve Murphy (DFL-Red Wing) carried the conference committee report for H.F. 3203, the DPS housekeeping bill. Murphy said that the conference committee report is similar to the bill that passed the Senate floor except that a section related to fee structures was deleted, and small changes were made to the new “Proud To Be A Veteran” license plate provision. Murphy also said the conference committee adopted two additional House provisions. One allows motorcycle drivers to proceed through an intersection with a red light after a complete stop if the traffic light appears to be malfunctioning or doesn’t detect the rider, he said. The other, said Murphy, allows the transfer of \$400,000 in trunk highway funds to mitigate congestion at the Hwy. 61-Wacouta Bridge construction site by using buses to transport individuals around the construction.

Conference committee member Sen. Mark Ourada (R-Buffalo) said he didn’t sign the conference committee report because he felt trunk highway funds were being misused. Using trunk highway money for buses around a construction site may be convenient, but it violates the spirit of the constitution that states trunk highway bonds should be used solely to build roads, he said.

The conference committee report for H.F. 3203 was adopted and repassed with a vote of 47-6.

Sen. James Metzen (DFL-South St. Paul) carried the conference committee report for S.F. 2392, the technical 911 emergency system clean up bill. Metzen said House members agreed to remove an amendment that called for a \$35 million general fund appropriation. The report was adopted and repassed 56-0.

Murphy carried the conference committee report for H.F. 3183, the agriculture policy bill. Murphy said the only change in the conference committee from the Senate bill is the elimination of a provision related to non-therapeutic antimicrobial use. The conference committee report was adopted and repassed.

Tuesday, May 14

HMO provision debate

A particular provision found in the conference committee report of the Department of Commerce housekeeping

Floor update

bill sparked debate during the Tues., May 14 floor session.

Author of S.F. 3024 Sen. Linda Scheid (DFL-Brooklyn Park) said that the committee removed several provisions inserted in the House version of the bill, but adopted a House amendment that exempts Medicare from Multiple Employer Welfare Arrangement (MEWA) stop-loss coverage. Scheid said the committee also adopted a provision that increases product flexibility for health maintenance organizations (HMOs), which will allow the HMOs to raise the ceiling on annual deductible and out-of-pocket expenses. For small HMOs, Scheid said, deductible limits for individuals will increase from \$1,000 to \$3,000, and up to \$6,000 for families. For large HMOs, the deductible cap will increase to \$2,500 for individuals, \$4,500 for families, she said. For total annual out-of-pocket expenses for small HMOs, she said, the cap for individuals will increase from \$1,000 to \$4,500, and to \$7,500 for families. The limit on out-of-pocket expenses at large HMOs will increase to \$3,000 for individuals, \$6,000 for families.

Sen. Ellen Anderson (DFL-St. Paul) pointed out that if an individual's only choice for health insurance is a small HMO, then their costs will significantly increase. Scheid said the purpose of the bill is to attract more health insurance companies into the state and allow plans to be competitive in rural areas.

Sen. Linda Berglin (DFL-Mpls.) said the out-of-pocket expenses described are in addition to the premiums people have to pay. "If someone becomes ill, they will be forced to drop their insurance because they can't afford the costs," Berglin said. "This bill may create more affordable health care for people who are healthy and wealthy, but there's nothing in the bill that controls health care costs. It merely shifts the costs to those who are sick."

Sen. Edward Oliver (R-Deephaven) said that the provision is in the bill only to provide HMOs the same flexibility as other types of health insurers.

The conference committee report was adopted and repassed 46-16.

Berglin carried the conference committee report for S.F. 3099, which contains various technical provisions related to the Departments of Health and Human Services. The report was adopted and repassed.

Members also confirmed three appointments recommended by the Committee on Jobs, Housing and Community Development. The appointments of Peter Bernier and Michael Finch to the Minnesota Housing Finance Agency, and of Shirley Chase as the commissioner of the Department of Labor and Industry were approved.

Wednesday, May 15

Budget deal reached

Ending "phase two" of the budget reconciliation process, members of the Senate approved the budget reconciliation bill during the floor session held Wed., May 15. H.F. 3270, carried by Sen. Douglas Johnson (DFL-Tower), is meant to deal with the \$439 million shortfall in the state budget revealed by the February forecast. Phase one of the reconciliation process dealt with a nearly \$2 billion shortfall.

The bill uses a number of accounting shifts and changes to make up the projected shortfall and increase the budget reserve to \$302 million. There are no tax increases in the measure; specifically, the Senate plan to raise the tobacco tax was eliminated in the final version. Also, other items not included in the final bill are the Senate Minnesota Family Investment Plan (MFIP) time limit moratorium, as well as the House supported abortion language and human services cuts.

The plan delays \$437.5 million—17 percent—of payments to school districts, transfers \$155 million from the cash flow account to the general fund, refinances \$75 million in building projects, shifts \$36.9 million in health and human services funds, adjusts \$26.5 million in special education excess cost payments to schools and shifts \$20 million in the worker's compensation special fund. The measure transfers \$14 million from the assigned risk plan, transfers \$2 million from the building code account and nets \$25.5 million through an accelerated sales tax change.

The measure also includes additional appropriations—beyond current law—for various items. Included among the appropriations are \$17.5 million for schools with cash flow problems due to the delay in payments, \$13 million for an anti-terrorism measure being considered in another conference committee, \$10 million for debt service for refinancing,

\$11.7 million to higher education, \$7.6 million to the Department of Revenue for compliance purposes and \$400,000 to keep the governor's mansion open and for executive protection. Although the original House plan contained no new K-12 spending provisions, the measure does contain Senate sponsored appropriations totaling \$1.5 million for K-12 education. The new K-12 spending includes funding for the Perpich Center for Arts Education and aid for the Duluth, Mesabi East and Albert Lea School Districts. The bill also provides for multiple levies, including \$30 per pupil for a safe schools levy.

Johnson, co-chair of the budget reconciliation conference committee, said the bill is not perfect. Anyone, he said, can find reasons to vote against it. Sen. Linda Berglin (DFL-Mpls.), a member of the budget conference committee, said the "vicious cuts the House proposed were eliminated in the final version of the bill." She also said the bill has problems but needs to be approved. "It's a responsible thing to pass this bill, but it's far from being as responsible as it should be," she said.

Berglin lamented the exclusion of the MFIP time limit moratorium in the final bill. The moratorium, she said, would have affected only 1,250 families using MFIP and would only have been in place for one year. Berglin said many people are experiencing a reduction in employment and in hours because of the current recession. She said the failure to provide aid is harmful to families in the state.

"We couldn't see fit to give them that little bit of help they need to get through this recession," she said. "It's a shame we weren't able to do it."

Sen. Dick Day (R-Owatonna) said the bill is a bipartisan solution to the budget problem. The bill, he said, doesn't raise taxes and makes use of the tobacco money. "I thought it was good work," he said.

Several Senators, however, spoke against the measure. Sen. Kenric Scheevel (R-Preston) said the Legislature didn't look to see if there are opportunities for the state to provide some services for less money. He said the final budget plan is the easy solution. The measure, he said, puts off the difficult decisions for the next legislative session. Sen. Becky Lourey (DFL-Kerrick) said the bill borrows from the future and does not pay for today. Sen. Steve Murphy (DFL-Red Wing) said a lack of leadership and courage in the

House puts Legislators in a position to vote for a bill that does not take care of the citizens of the state. He also said the problem will be twice as bad next year. The difficult decisions, he said, should have been made this year.

“This bill does nothing but make it worse and harder to manage the books of the state of Minnesota,” he said.

Sen. Leo Foley (DFL-Anoka) said he was disturbed about the thousands of children impacted by their families reaching the five-year time limit for MFIP assistance. He said he had concerns regarding cuts in state staff. Foley also said he was concerned with using the tobacco money for the budget reserve. If it is used, he said, it won't get repaid. Berglin, however, said the tobacco money is not part of the reserve, but is part of the cash flow account. If the money is needed, she said, it will be taken. She said that when money comes into the state, the amount taken will be paid back with interest. The bill was re-passed by a vote of 51 to 14.

Members also granted re-passage to three conference committee reports. S.F. 2433, carried by Sen. Don Betzold (DFL-Fridley), defines the crimes of sexual conduct in the third and fourth degrees to include persons who sexually penetrate vulnerable adults and who are agents of special transportation service providers. The bill also requires a mandatory sentence for violation of certain criminal sexual conduct in the second degree offenses and provides for payment of criminal sexual conduct examinations. The bill was granted re-passage by a vote of 54 to 4. S.F. 2732, carried by Sen. Leonard Price (DFL-Woodbury), is a Department of Natural Resources bill. The measure provides for maintenance of leased property, modifies duties of the Forest Resources Council, permits aquatic plant grants, makes certain state park permit exemptions, provides for federal law compliance and provides financing for management of chronic wasting disease. The bill also exempts certain appropriations from moratoriums and hiring freeze, requires a study and report, modifies the issuance of fishing licenses and modifies certain appropriations. The bill was granted re-passage by a vote of 60 to 0. S.F. 1755, presented by Sen. LeRoy Stumpf (DFL-Thief River Falls), establishes a committee to gather information and make recommendations for the design of a school employee health insurance plan

and authorizes raffles to support school district programs. The measure includes an appropriation of \$670,000 for the purposes of the bill. The bill was given re-passage by a vote of 45 to 14.

Murphy carried S.F. 3191, which repeals obsolete transportation related provisions. The bill was passed on Special Orders by a unanimous vote.

More reports adopted

In continuing activity at the Wed., May 15, floor session, members adopted and repassed the conference report for S.F. 3431, the economic development and unemployment insurance benefits bill. Sponsor Sen. Ellen Anderson (DFL-St. Paul) said the two major provisions of the bill provide up to an extra 13 weeks of unemployment benefits for workers who did not qualify for a federal extension, and extend an additional 13 weeks of benefits for those affected by layoffs from Fingerhut, Farmland Foods, and companies related to the airline industry. The bill also raises the employer contribution to the unemployment insurance fund from 0.1 to 0.38 percent of payroll, she said. The conference committee failed to reach agreement on several unemployment insurance reforms, Anderson said. The report was adopted and repassed 48-14.

Sen. Linda Higgins (DFL-Mpls.) brought forth the conference committee report for S.F. 3134, a bill pertaining to individual sewage treatment classification. Higgins said the committee adopted a House provision that establishes controls in metal shredding procedures to prevent environmental damage. The report was adopted and repassed.

The conference report for a bill that requires legislative approval before certain rules related to the Clean Indoor Air Act are adopted and allows school districts to offer additional testing opportunities to limited English proficient students was carried by Sen. Dan Stevens (R-Mora). Stevens said two House amendments that would have repealed the Profile in Learning statutes were rejected by the committee. The report was adopted and repassed.

Late session yields tax bill

Members met in a late session Wed., May 15, to pass the omnibus tax bill with enough time left in the 82nd Legislative Session to override a possible veto. The

bill, H.F. 2498, was carried by Sen. Lawrence Pogemiller (DFL-Mpls.). It includes several provisions agreed upon as part of the omnibus budget reconciliation package. However, tax sections of the budget agreement were separated and placed in a different bill.

Describing the bill, Pogemiller said it is minimalist in its changes to tax law. The bill resolves concerns about the so-called “bread tax,” shifts the buyback of the June accelerated sales tax payments and requires Wisconsin to pay the interest it owes on a tax reciprocity agreement. “Wisconsin appears to want to be accommodating with regard to the interest payments,” Pogemiller said. The bill also includes a restoration of funds for the Department of Revenue’s compliance efforts. Pogemiller said the bill includes no general tax increases. “I don’t think anybody voting for this could be criticized for voting for a general tax increase by voting for this bill,” he said. The conference committee report on the tax bill was adopted and the bill was granted repassage, 63-0. The bill was the final piece of business in the night’s activity and was passed with 30 minutes to spare in the day.

Earlier in the session, the Senate also adopted the conference committee report on one bill and granted final passage to two other pieces of legislation. S.F. 3163, carried by Sen. Don Betzold (DFL-Fridley), is the revisor’s bill. It was granted repassage, 56-0.

Senate Resolution 241, carried by Sen. Thomas Neuville (R-Northfield), declares the week of May 12, 2002, Police Week. Neuville said the Minnesota Peace Officers Memorial Day organization came to him with the resolution. Earlier in the evening, he said, peace officers and others observed a vigil on the Capitol grounds as part of the national Peace Officers Memorial Day. Every 49 hours, Neuville said, a police officer is killed in the line of duty. The resolution was adopted on a voice vote.

Sen. Jim Vickerman (DFL-Tracy) carried H.F. 3073. The bill, which makes changes to legalized gambling laws, once included a provision regarding linked bingo. Vickerman said that after much discussion of the issue, the most controversial section—providing for linked bingo—was removed. He said the bill is now technical in nature, helping veterans groups involved in legalized gambling to navigate the system better. The bill also

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orders the Gambling Control Board to draft model rules for linked bingo and submit the model rules to the Legislature by Feb. 1, 2003, Vickerman said. Sen. John Marty (DFL-Roseville) said it was unusual to tell an agency to draft rules to allow something that is not allowed and then the Legislature will consider allowing the behavior. H.F. 3073 was granted final passage, 59-3.

Thursday, May 16

Bills repassed

In addition to adopting and repassing several conference committee reports during the Thurs., May 16, floor session, members also voted to override the governor's veto of a proposed electronic real estate filing system.

S.F. 2707 was carried by Sen. Steve Kelley (DFL-Hopkins), who said the bill addresses an omission related to the 50 cent fee imposed on the current real estate filing systems that will be used to fund the creation of the proposed electronic filing system. Members voted 59-0 to override the veto.

Sen. David Knutson (R-Burnsville) carried the conference committee report for S.F. 3172, a bill that requires a ten-year conditional release for all sex-offenders. Knutson said the conference committee added several House provisions related to community notification, including items that restrict sex offender proximity and concentration near schools, authorization for level-three sex offenders to be evicted from housing to prevent sharing a residence with victims of domestic abuse, and expanded notification of all adult members of an offender's immediate household. The bill also contains a provision that makes an individual who has failed to report any knowledge of the physical or sexual abuse of two or more children in the past ten years is guilty of a gross misdemeanor. The conference committee report was adopted and repassed 53-0.

The conference committee report for S.F. 2486 was carried by Sen. Don Samuelson (DFL-Brainerd), who said the only change from the bill that previously passed the Senate is the sunset date of Mar. 1, 2003. The bill requires prospective review and approval for any major spending related to the construction of a new radiation therapy facility in the state. The report was adopted and repassed 56-1.

Sen. John Hottinger (DFL-Mankato) brought forth the conference committee report for a bill that establishes a non-profit corporation in Development Region Nine to make use of federal grants related to innovative health care services. Hottinger said the S.F. 2572 was adopted by the conference committee, and that the bill containing the annual public finance provisions was amended onto the original bill. The conference committee report was adopted and repassed 58-0.

Friday, May 17

Pledge bill repassed

Members adopted one conference committee report and granted final passage to two measures on Special Orders at the Fri., May 17, floor session.

H.F. 2598, authored by Sen. Mady Reiter (R-Shoreview), requires the recitation of the Pledge of Allegiance in all public and charter schools at least once a week. Reiter said the conference committee removed Senate language requiring that at the beginning of the school year, the adult person in charge of the class or school must discuss the history and reason for reciting the Pledge and that as part of the discussion the person in charge must inform students that anyone not wishing to participate in the recitation of the Pledge for any personal reason may elect not to do so and is not to be considered unpatriotic. In addition, Reiter said, conferees also removed language requiring schools to set aside time each week for civics instruction about the Pledge, American patriotic songs, the U.S. Constitution, the Declaration of Independence, the Bill of Rights and other activities relating to government. Instead, the conferees adopted language requiring public and charter schools to set aside time each year for civics education that includes the history and reasons for reciting the Pledge and, if the school has a student handbook or policy guide, to include a statement about student rights and responsibilities.

Sen. Mee Moua (DFL-St. Paul), one of the conferees and author of the amendment that had added the civics education language to the original Senate version, said that she could not support the conference committee report. "I am deeply disappointed that the only way the bill could come back is at the sacrifice of an amendment that was overwhelmingly

adopted by this body. I have voted for this bill twice, the only thing I ask is to have a provision for adults who are leading the Pledge to have a teaching moment. Our goal should be to teach our children to be critical thinkers and I am disappointed that the language had to be stripped from the bill."

The conference committee report was adopted and repassed on a vote of 46-10.

Members granted final passage to a bill, H.F. 2972, sponsored by Sen. James Metzen (DFL-South St. Paul), making corrections to last year's omnibus energy bill. A resolution, S.F. 3468, authored by Sen. Sandra Pappas (DFL-St. Paul), memorializing the president, Congress and the governor to ensure that international trade agreements respect the traditional authority of state and local governments to protect the public interest, was also given final passage.

Saturday, May 18

Action completed on major bills

Senators acted on many of this year's major bills during a marathon floor session that lasted from 3 p.m. Sat., May 18, and wound up at about 6:15 a.m. Sun., May 19. Members adopted a conference committee report providing for a new baseball stadium, a conference committee report for capital investments totaling \$979 million, and an anti-terrorism package. In addition, members voted to override the governor's vetoes of the omnibus budget reconciliation bill and of the plan to establish a committee to study the feasibility of a statewide insurance plan for school employees. A variety of other measures and conference committee reports also gained final passage throughout the extended session.

The floor session began with Sen. Keith Langseth (DFL-Glyndon) providing an overview of the compromise bonding package. H.F. 3618 provides for appropriations of \$979 million, but that figure is reduced to \$881 million through cancellations, user funded bonding and general fund appropriations, Langseth said.

"This was a very tough conference committee," Langseth said, "There weren't many real casualties, but some items did get left out. It was not that they were not priorities on the part of the Senate, but that there was strong opposition from the House."

Langseth said that a major disappointment was that funding for the proposed Northstar Commuter Rail project was omitted from the final conference report. “The House missed a tremendous opportunity by not including Northstar because now we lose federal funds. We struggled to

get something with three different votes, but weren’t successful. I think the day will come for Northstar, but not this day,” he said.

Sen. Deanna Wiener (DFL-Eagan) said, “On behalf of the higher education community, we should be proud of this

bill.” Wiener also said it was disappointing that funds were not included for the Northstar project.

Sen. Dave Kleis (R-St. Cloud) also expressed disappointment at the lack of funding for the commuter rail project. “There is no doubt the corridor will be built, but it will be at a much higher cost,” he said.

Sen. Cal Larson (R-Fergus Falls), a member of the conference committee, said that the compromise package included a number of projects for the environment and natural resources. “I think this is a good bill. There is funding for flood hazard mitigation, wastewater infrastructure facilities and Dept. of Natural Resources projects. By and large it is a well balanced bill. We hope the governor agrees and signs the bill,” he said.

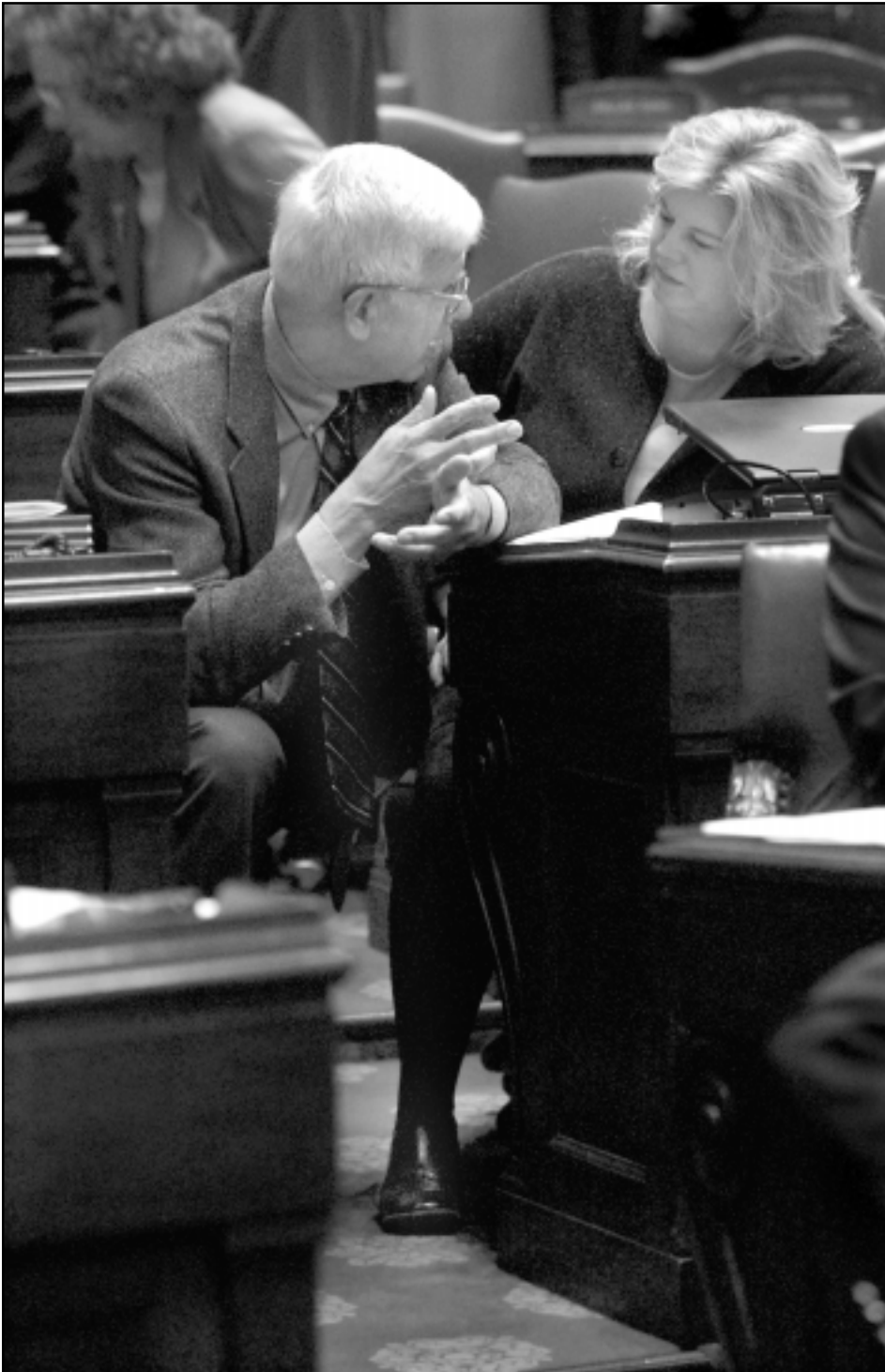
The measure was then laid on the table pending the arrival of the message that the other body had acted on the conference committee report. The message did not arrive until nearly 6 a.m. Sunday morning paving the way for one of the last formal actions of the Senate for the session. The bonding conference committee report was repassed on a 51-13 roll call vote.

Senators turned their attention to bills on Special Orders and granted final passage to several measures.

Pensions bill okayed

Members took up the omnibus pensions bill, H.F. 3127, carried by Sen. Dean Johnson (DFL-Willmar). He summarized the conference committee report on the bill, which makes various changes to rules governing a number of state pension plans. Johnson said one provision that was not in the final bill was an extension of the Rule of 90 in the Teachers Retirement Association and Duluth Teachers Retirement Fund Association to teachers hired after June 30, 1989. “We’ve tried and tried and tried on this one,” he said. He said Sen. Lawrence Pogemiller (DFL-Mpls.) has “put the issue on his front burner and we’ll try again later.” The conference committee report was adopted and the bill repassed, 61-4.

Senators also granted final passage to four bills designated Special Orders. H.F. 2886, sponsored by Sen. Anthony “Tony” Kinkel (DFL-Park Rapids), permits tribal band members living on the Leech Lake Reservation to prove residence for election registration purposes by showing a tribal government identification card. Sen.



Senators Edward Oliver (R-Deephaven), left, and Deanna Wiener (DFL-Eagan) confer on the Senate floor during one of the final floor sessions of 2002.

Photo by David J. Oakes

Floor update

LeRoy Stumpf (DFL-Thief River Falls) offered an amendment to the bill expanding the provision to cover all tribal reservations in the state. Kinkel said he had discussed the amendment with Stumpf and others and said the amendment was acceptable. The amendment was adopted and the bill granted final passage, 62-0.

Sen. Ellen Anderson (DFL-St. Paul) carried two resolutions, S.F. 3455 and S.F. 3469. S.F. 3455, she said, is specifically drafted to support a bill on which the U.S. Congress is about to take action. The resolution itemizes the concerns we're facing in Minnesota regarding affordable housing, she said. Anderson said that because of the recent budget pressures, the state was unable to invest in housing this session. However, she said, the national bill will increase housing funding by almost 25 percent, almost all of it for housing creation. "It could make a huge difference in Minnesota," Anderson said. S.F. 3455 was granted final passage, 47-14.

S.F. 3469 is a resolution urging the governor to convey to Chinese government leaders that the people of Minnesota are concerned about possible human rights abuses in China. Anderson said the resolution is based on traditional American values—freedom of speech, freedom of religion and freedom of political expression. She said the values are expressed in both the U.S. Constitution and the Universal Declaration of Human Rights. "We are not making foreign policy in Minnesota," Anderson said, but recognizing that the governor is leading a major trade mission to China in June. She said the resolution is not an effort to preclude trade with China, but asking the governor to use his celebrity status to raise the issue of human rights. Sen. Michele Bachmann (R-Stillwater) said she supported the resolution because the Chinese government forces abortions on its citizens as part of a one-child policy. S.F. 3469 was granted final passage, 61-0.

S.F. 3092, authored by Sen. John Hottinger (DFL-Mankato), was also granted final passage. The measure allows the release of data on school employee violence or sexual contact toward a student, modifies provisions relating to human services licensing sanctions and provides employer immunity for reference checks for certain health care providers and facilities.

A bill making technical corrections and adjusting tax rates for education levies

also received final passage. The measure, H.F. 2902, was sponsored by Stumpf.

Stadium plan passed

Members returned from a recess to begin consideration of the compromise baseball stadium plan. Sen. Dean Johnson (DFL-Willmar), chief sponsor of H.F. 2214, outlined the provisions of the conference committee report. "For the most part we have adopted the concept the House and governor proposed," Johnson said. There are five major parts to the bill, Johnson said. The bill requires the current owners must commit \$120 million, specifies that the Twins sign a lease agreement for 30 years and provides that the team must pay \$10 million per year in rent. In addition, the city that hosts the ballpark must have a referendum by Sept. 30 to collect a local option sales tax on food, beverage and lodging. The city may also impose, up to 5 percent, a sales tax on admissions. Under the proposal, the revenue from the local option tax and the \$120 million from the team is set aside to earn interest for four years and will be used for construction, Johnson said. He also said the bill authorizes up to \$330 million in revenue bonds. In addition, the measure places a \$50 million cap on infrastructure improvements, he said. Finally, the compromise plan calls for the creation of a football stadium account with \$500,000 to demonstrate to the National Football League that sometime in the future, Minnesota is interested in building a football stadium.

"Everyone in this body has been talked to and cajoled about this bill. We are not competing with basic services of the state with this plan, because the plan does not involve general fund money," Johnson said, "The local option sales tax is the money used to retire the bonds and a back-up is a 5 percent admissions charge."

He added, "We have a share appreciation portion, too. If the Twins are sold and there is appreciated value, then that value is returned to the state."

"The conference committee felt strongly that we should set forth the criteria for site selection and then let the Twins work with the host city under conditions set in the bill. It should be a business deal between the host city and the Twins. If two or more municipalities want to enter into a joint powers agreement, we set out the provisions to do so in the bill."

Sen. Roy Terwilliger (R-Edina), a member of the conference committee, said,

"If you look at the numbers, the numbers work. There is a sizable commitment from the team, there is a commitment to the Gophers and to football. We think the bill works, though we know it has challenges."

Sen. John Marty (DFL-Roseville) spoke in opposition to the plan. "I have concerns about this plan. I see charts saying that the Twins are paying 67 percent, but this bill really sticks it to the host city with a half a billion dollar subsidy on the part of a city. I think it is wrong. We can't afford education, health care, or roads, but we can pay for a stadium."

Sen. Dick Day (R-Owatonna) countered, "This bill gives the Minnesota Twins and the state a fighting chance. Hopefully, the cities will come forward and we will end up with a stadium."

Several members also debated a provision removing Hennepin County from the site process, and said the elimination of Hennepin County removed the city of Minneapolis from contention. Johnson said that the bill was site neutral and that the citizens of Minneapolis could vote to overturn the economic development cap the city has in place, thus allowing the city to negotiate for a site.

Members voted 48-18 to adopt the conference committee report and 49-18 to repass the bill.

Members also voted to override the governor's veto of a bill establishing a committee to study the feasibility of a statewide insurance plan for school employees. The veto of S.F. 1755, authored by Sen. LeRoy Stumpf (DFL-Thief River Falls), was overridden on a vote of 48-17.

One of the final bills to gain passage was S.F. 2891, the traditional end-of-session revisor's bill. The measure, carried by Sen. Don Betzold (DFL-Fridley), corrects miscellaneous oversights, inconsistencies, ambiguities, unintended results and technical errors. A conference committee report on a bill that creates a curative act for conveyances by counties was also adopted and repassed. H.F. 2780, carried by Sen. Thomas Neuville (R-Northfield), also regulates malpractice actions and modifies provisions relating to liens against real property.

Internet privacy bill repassed

Sen. Steve Kelley (DFL-Hopkins) presented a conference committee report on Internet privacy legislation, S.F. 2908. He said the national Internet service

provider (ISP) community decided the Legislature must be serious about making reforms in the industry he said, because though there had been minimal industry involvement in the original committee process, providers took notice of the conference committee. Kelley said the principle difference between the House and Senate versions of the bill was whether legislation should reflect an “opt-in” or “opt-out” approach. The compromise, Kelley said, was that the contract between ISPs and customers must contain a clause describing whether requests for authorization to release personal information will be obtained as part of an opt-in or opt-out process. “Some of the companies said that Minnesota will be one of the first states, if not the first state, to protect customer privacy. I guess they thought we’d view that as problematic,” he said, “but we took pride in that.” He said conferees also worked with the business community on narrowing unsolicited e-mail, or “spam,” provisions in the bill. The conference committee report was adopted and the bill repassed, 62-0.

Members granted final passage to a bill on Special Orders, S.F. 3189, on a 63-0 vote. Carried by Sen. Sandra Pappas (DFL-St. Paul), the legislation establishes a retroactive effective date for the separation of the civil service functions of the city of St. Paul and the St. Paul School District.

Sen. Dave Kleis (R-St. Cloud) moved to take S.F. 3475 out of the Rules and Administration Committee and bring it up for floor debate. He said the bill, which proposes a ballot question for a unicameral legislature, deserves consideration. “We should have a vote on the Senate floor on this issue.” The motion was defeated on a roll call vote, 18-42.

Also, members quickly overrode the governor’s veto of the omnibus budget reconciliation bill, H.F. 3270. There was no debate before the 53-14 vote.

Senators also adopted two conference committee reports with little debate. H.F. 2972, carried by Sen. James Metzen (DFL-South St. Paul), is the energy technical bill. Metzen said the final bill contains all of the Senate provisions and five minor House amendments. The bill was repassed, 61-2. H.F. 3350, sponsored by Sen. Sheila Kiscaden (R-Rochester), establishes a mortuary science emeritus practitioner license, a donated dental services program and a volunteer health care provider program. The bill was repassed, 62-0.

Emergency powers okayed

Sen. John Hottinger (DFL-Mankato) presented the conference committee report on the Emergency Health Powers Act, H.F. 3031. He said the bill represents an improvement in the protection of civil rights during a public health emergency and a clarification of the powers already available to state government. The bill narrows and defines the powers of the governor and the administration in the case of serious public health threat, Hottinger said. He said the bill is much more confined in scope than the original legislation passed by the Senate, but that it requires a report to the Legislature on further steps to take in this area. The bill was repassed, 55-3.

Senators then took up consideration of H.F. 3643, carried by Sen. Steve Murphy (DFL-Red Wing). Sen. Dean Johnson (DFL-Willmar) offered an amendment to the bill, replacing the original language with a transportation funding package. Sen. Dave Kleis (R-St. Cloud) raised a point of order on the amendment, and said it was not germane to the underlying bill, which dealt with claims against the state. Sen. Don Samuelson (DFL-Brainerd), presiding, put the question of germaneness to the Senate, which ruled the amendment was germane on a 34-23 divided vote. A motion to reconsider the vote on the ruling was defeated, 28-35. Sen. Mark Ourada (R-Buffalo) spoke against the amendment. “We all know nothing will happen with this,” he said. Ourada said the amendment was not a good faith effort to pass a transportation initiative this session, but was just political posturing. Johnson said the House has tried to negotiate with the Senate on a transportation package, but has encountered numerous obstacles to achieving a final compromise that will pass in the House. He said the amendment includes a 5 cent gas tax increase, the issuance of \$600 million in trunk highway bonds and a \$50 million appropriation for the development of the Northstar commuter rail corridor. The amendment was adopted, 34-1. H.F. 3643, as amended, was granted final passage, 36-3.

Anti-terrorism package passes

After a recess, Senators turned to consideration of an agreement on an antiterrorism package. Carried by Sen. Jane Ranum (DFL-Mpls.), the legislation was

accepted as an amendment on H.F. 2515. Sen. Edward Oliver (R-Deephaven) said the underlying bill related to human services while the amendment was public safety oriented. The amendment was ruled not germane to the bill, but members accepted a motion from Sen. Dennis Frederickson (R-New Ulm) to suspend the Senate rule relating to germaneness. Ranum said the amendment provides for general obligation bonds to expand the 800 MHz radio system from the Metro Area to Rochester and St. Cloud.

She said the agreement does not include many provisions that the Senate had objected to, including color-coded drivers’ licenses for immigrants and roving wiretap authority for law enforcement. Ranum said the bill strikes a delicate balance between security and civil liberties. The amendment was adopted and H.F. 2515 was granted final passage, 60-0.

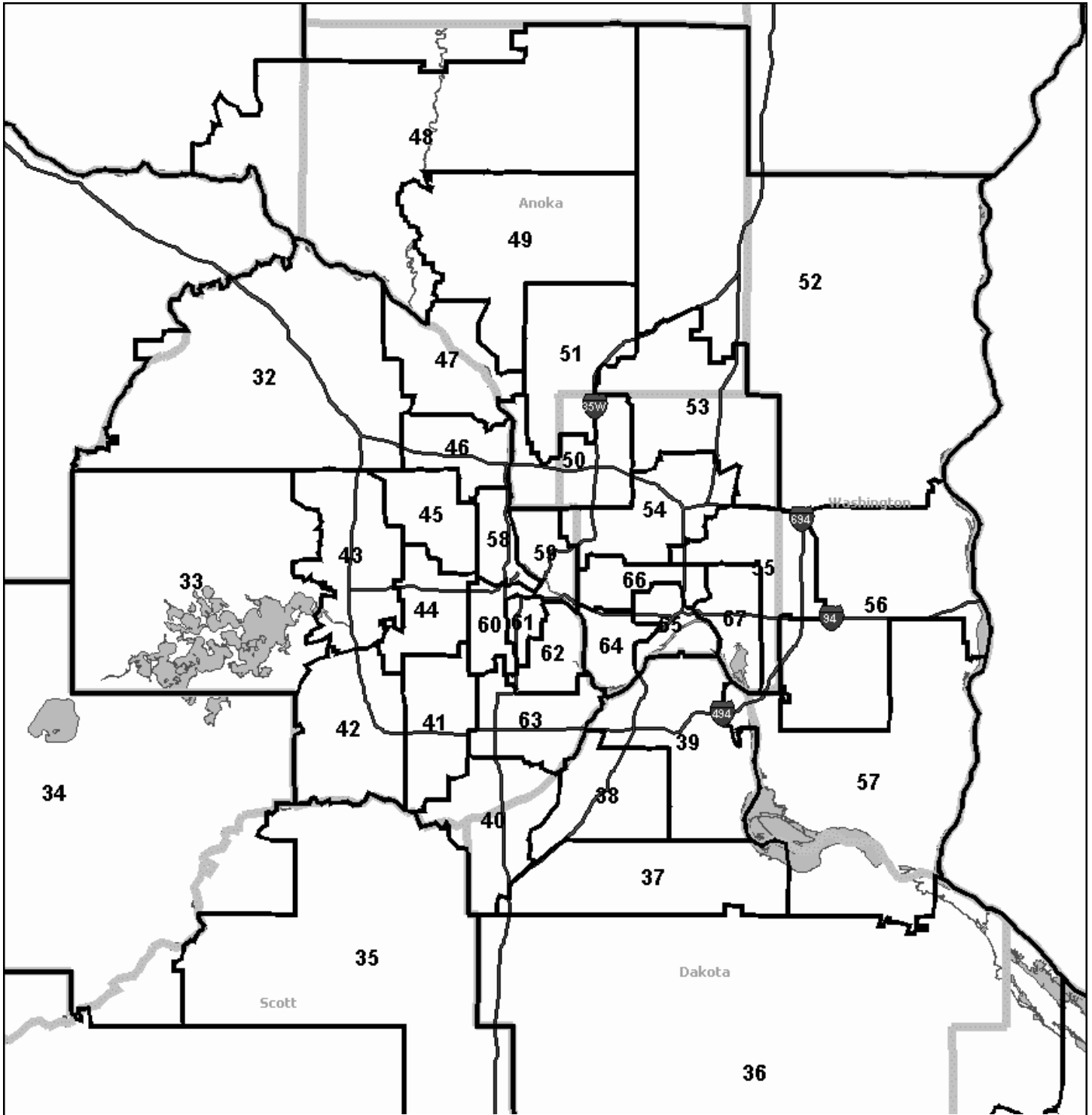
Sen. Bob Lessard (IND-Int’l. Falls) moved to suspend the rules and bring S.F. 1589 up for immediate consideration. Majority Leader Roger Moe (DFL-Erskine) said he was not unwilling to take action on the bill, but that his priority was to take action on the bonding bill. Sen. Linda Berglin (DFL-Mpls.) said suspending the rules for consideration of S.F. 1589 was not a good idea. There are billions of dollars that the state does not have to spend in FY 04-05, she said, and the bill will create a ballot initiative to dedicate some of the money we don’t have.

“If we want to dedicate to some money to this very worthwhile goal,” Berglin said, “we should increase the sales tax and dedicate the new revenue.” The motion, which required a two-thirds vote, did not prevail, 44-21. Lessard said failing to take action on the bill, which dedicates 3/16 of one percent of sales tax revenues to natural resources, was a mistake.

He asked that the bill be returned to him, essentially removing it from any possibility of further consideration. Sen. Jane Krentz (DFL-May Township) urged Lessard to be patient and wait for the bonding bill to come over from the other body.

“Maybe the votes will change when that happens,” she said, and the bill will have a better chance at consideration. Lessard said the Senate had a chance to do something significant this session and he was tempted to stick by his motion, but he withdrew the motion.

Redistricting Plans

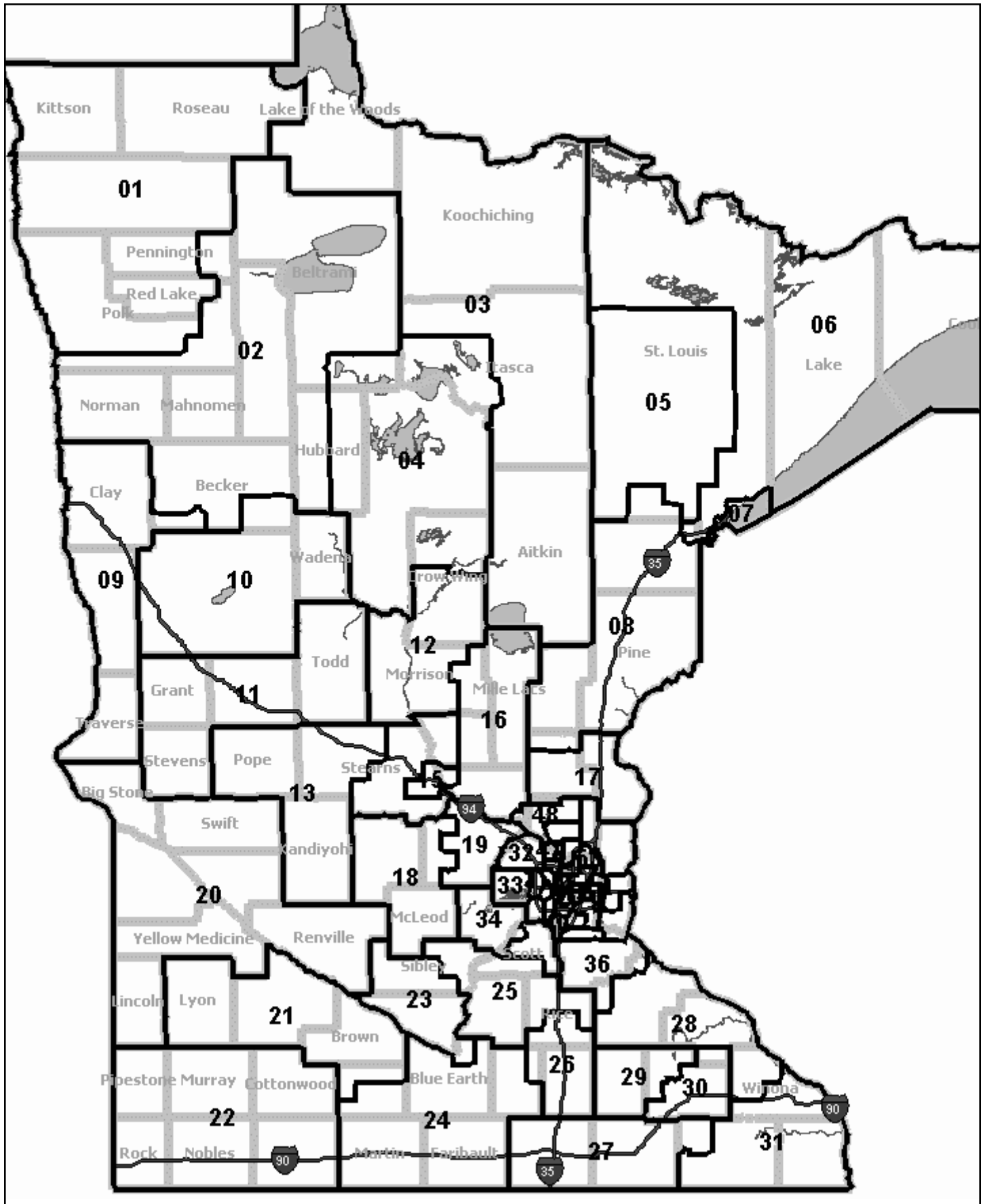


Maps of the redistricting plan advanced by the special redistricting panel appointed by Chief Justice Kathleen Blatz. Under federal law, states must enact new districts for state legislators and congressional representatives after every decennial census. Since the Legislature and governor did not act before Mar. 19, the panel released its plans.

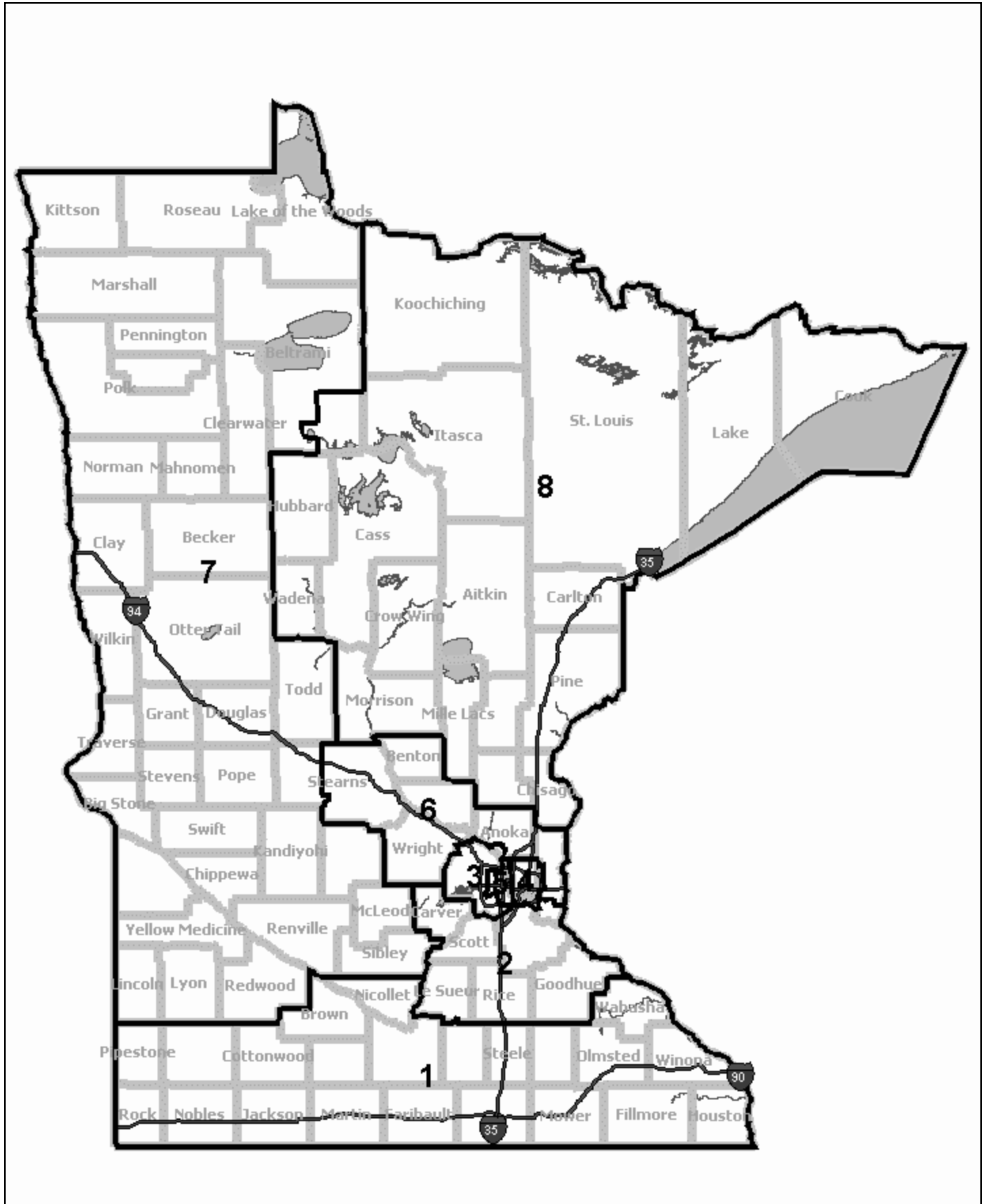
Above, Metro Area Senate districts. Next page, a statewide map of the new Senate districts.

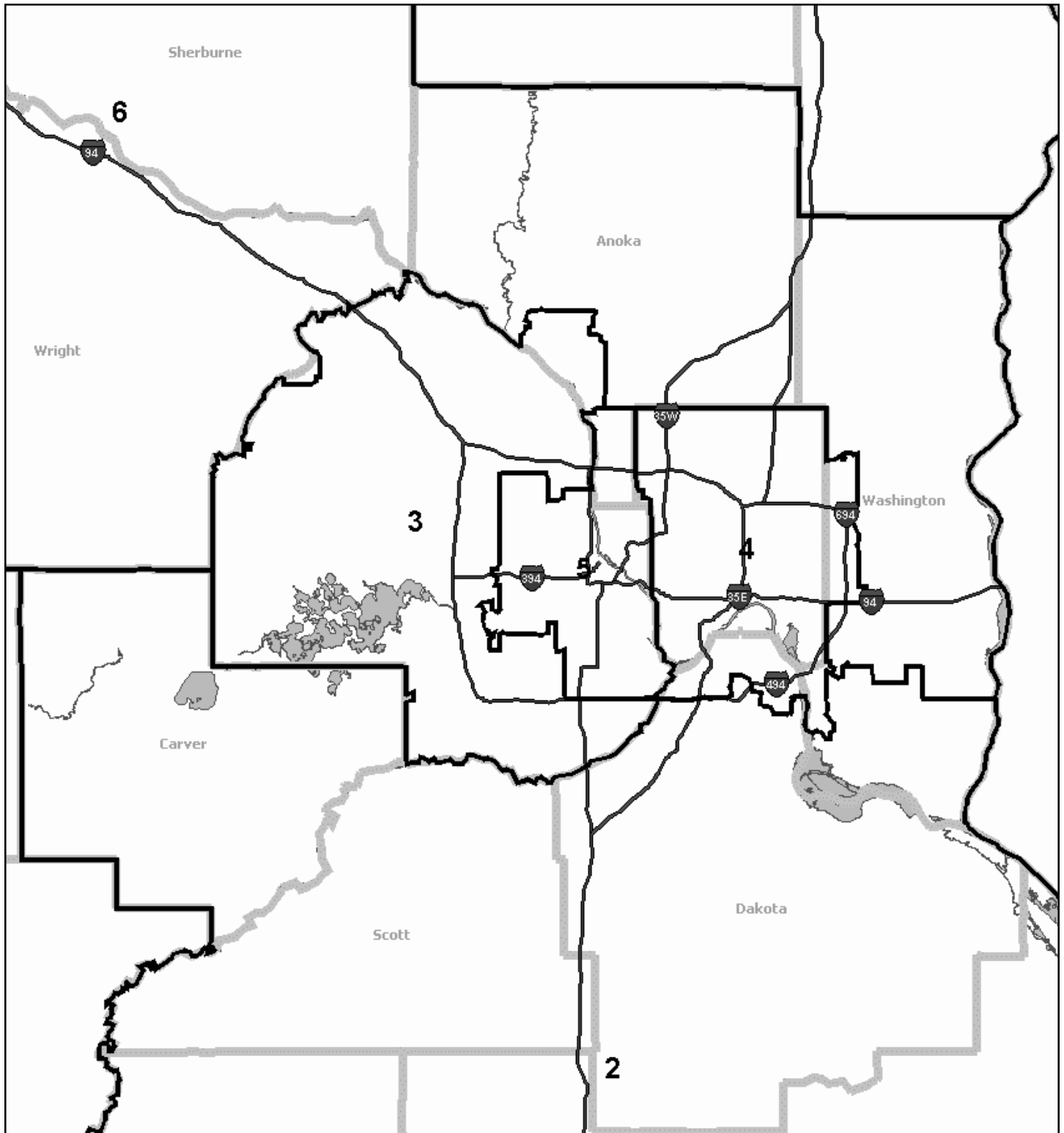
Following pages, statewide and Metro Area Congressional districts, as drawn by the special panel.

Maps courtesy LCC Geographic Information Systems



Redistricting Plans





The full text of the panel's orders in the cases challenging the current district maps—as well as various maps and data reports—can be found online at http://www.courts.state.mn.us/cio/redistricting_panel.htm

Interactive maps and other information can be found on the Legislature's Geographic Information Systems office web site at <http://www.commissions.leg.state.mn.us/gis/html/plans2002.html>

Legal discussions and explanations of redistricting, prepared by the Office of Senate Counsel and Research, can be found at <http://www.senate.leg.state.mn.us/departments/scr/treatise/>

Floor action

Monday, May 6

Bills granted final passage under suspension of rules

S.F. 3463-Murphy: Authorizes pesticide applications for mosquito control operations conducted before a certain date and the use of biological agents for control of gypsy moths, forest tent caterpillars or other species. 60-0

Wednesday, May 8

Conference committee reports adopted and repassed

S.F. 2707-Kelley, S.P.: Fills in an inadvertent omission for a temporary increase in the surcharge for filing and recording certain documents. 55-0

Thursday, May 9

Conference committee reports adopted and repassed

H.F. 3200-Kiscaden: Establishes guest licenses for dentists and dental hygienists. 55-0

S.F. 2448-Betzold: Provides for disclosure by the Department of Public Safety of personal data related to operation of a motor vehicle. 35-21

S.F. 2727-Samuelson: Modifies land acquisition procedures, modifies and creates state trails and modifies certain local planning regulations. 58-0

S.F. 3246-Cohen: Limits unsolicited telephone calls to individuals. 58-0

Monday, May 13

Conference committee reports adopted and repassed

H.F. 3203-Murphy: Dept. of Public Safety policy provisions. 47-6

S.F. 2392-Metzen: Modifies 911 telephone system provisions. 56-0

H.F. 3183-Murphy: Omnibus agriculture policy bill. 50-11

Bills granted final passage on Special Orders

H.F. 3127-Johnson, Dean: Omnibus pensions bill. 59-0

Tuesday, May 14

Conference committee reports adopted and repassed

S.F. 3024-Scheid: Dept. of Commerce housekeeping provisions and regulates insurance coverages and deductibles offered by HMOs. 46-16

S.F. 3099-Berglin: Dept. of Human Services technical housekeeping provisions. 57-4

Confirmations

Peter Bernier and Michael Finch to the Minnesota Housing Finance Agency
Shirley Chase as commissioner Dept. of Labor and Industry

Wednesday, May 15

Conference committee reports adopted and repassed

S.F. 2433-Betzold: Defines sexual conduct in 3rd and 4th degrees to include transportation workers who abuse vulnerable adults. 54-4

S.F. 2738-Price: Dept. of Natural Resources policy bill. 60-0

S.F. 1755-Stumpf: Establishes a committee to gather information and make recommendations for the design of a school employee health insurance plan. 45-15

H.F. 3270-Johnson, Douglas: Omnibus budget reconciliation. 51-14

S.F. 3431-Anderson: Omnibus jobs and economic development provisions. 48-14

S.F. 3134-Higgins: Clarifies individual sewage treatment. 60-0

S.F. 3133-Stevens: Requires legislative approval before certain new or amended rules under the Clean Indoor Air Act are adopted and authorizes school districts to offer additional testing opportunities to limited English proficient students. 59-5

H.F. 3163-Betzold: Corrects erroneous, ambiguous, and omitted text and obsolete references. 57-0

H.F. 2498-Pogemiller: Omnibus tax provisions. 63-0

Bills granted final passage on Special Orders

S.F. 3191-Murphy: Deletes obsolete provisions related to MnDOT. 63-0

Bills granted final passage under suspension of rules

H.F. 3073-Vickerman: Makes technical, clarifying, and conforming changes to lawful gambling provisions. 59-3

Thursday, May 16

Conference committee reports adopted and repassed

S.F. 3172-Knutson: Sex offender conditional release extended. 53-0

S.F. 2486-Samuelson: New radiation therapy facility limitations. 56-1

S.F. 2572-Hottinger: Public finance provisions. 58-0

Veto overridden, bill repassed

S.F. 2707-Kelley: Modifies and clarifies real estate task force funding provisions. 59-0

Friday, May 17

Conference committee reports adopted and repassed

H.F. 2598-Reiter: Requires the recitation of the Pledge of Allegiance in all public and charter schools. 46-10

Bills granted final passage on Special Orders

S.F. 3468-Pappas: A resolution regarding international trade. 39-12

H.F. 2972-Metzen: Decreases regulatory requirements for small power lines. 46-2

Saturday, May 18

Conference committee reports adopted and repassed

H.F. 3127-Johnson, Dean: Omnibus pension bill. 61-4

H.F. 2214-Johnson, Dean: Provides for financing of a major league baseball park. 49-18

S.F. 2908-Kelley: Regulates electronic mail solicitations, protects privacy of Internet consumers, and regulates use of data about Internet users. 61-2

H.F. 3350-Kiscaden: Establishes a donated dental services program. 62-0

H.F. 3031-Hottinger: Emergency Health Powers Act. 55-3

H.F. 2780-Neuville: Regulates medical malpractice actions. 56-0

H.F. 3618-Langseth: Omnibus bonding bill. 51-13

Bills granted final passage on Special Orders

H.F. 2886-Kinkel: Authorizes tribal members living on reservations to use identification cards as proof of residence for voter registration. 62-0

S.F. 3455-Anderson: Resolution supporting the creation of a national housing trust fund. 47-14

S.F. 3469-Anderson: Resolution regarding Chinese human rights. 61-0

H.F. 3092-Hottinger: Requires release of certain information and provides employer immunity for reference checks for certain health care providers and facilities. 58-2

H.F. 2902-Stumpf: Makes technical corrections and adjusts tax rates for education levies. 63-0

S.F. 3189-Pappas: Establishes a retroactive effective date for St. Paul civil service separation. 63-0

H.F. 3643-Murphy: Omnibus transportation bill. 36-3

H.F. 2515-Ranum: Anti-terrorism bill. 60-0

Bills granted final passage under suspension of rules

S.F. 2891-Betzold: Revisor's bill. 56-0

Vetoes overridden, bills repassed

S.F. 1755-Stumpf: Provides for a committee to study the feasibility of a statewide insurance plan for school employees. 48-17

H.F. 3270-Johnson, Douglas: Omnibus budget reconciliation bill. 53-14

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Senate Briefly

*The Senate Chamber saw renewed activity after a quiet interim when members returned for a one-day special session, Thurs., Sept. 19.
Photo by David J. Oakes*



Special Session Special Issue — September 20, 2002

Senate Highlights

Special Session provides relief package

Senators gathered for a Special Session Thurs., Sept. 19, to take action on three pieces of legislation. Members approved bills to provide a flood relief funding package for 19 counties declared federal disaster areas, to make changes in the charitable contribution deduction under the alternative minimum tax and to correct a provision relating to the sales tax on aggregate material.

H.F. 1, the first measure to gain final passage, is the relief package earmarked for flood ravaged counties. Sen. LeRoy Stumpf (DFL-Thief River Falls), chief author of the bill, said the relief package amounts to about \$31 million and contains appropriations for a variety of programs. "This has been a long, difficult summer for a lot of counties and communities that have been affected by the flooding this summer," Stumpf said. He said that Northwestern Minnesota has been particularly hard hit and that the citizens of the area are grateful for the Special Session.

"The Legislation is patterned after the legislation enacted to deal with the

aftermath of the 1997 Red River Valley flooding," Stumpf said. He added, "There are three primary areas of spending: to cover the local match for federal dollars for public infrastructure repair; funding for housing and businesses; and an appropriation for the losses that farmers experienced." In addition, he said, the bill contains funding for both local road and bridge repair and state road and bridge repair. The measure also contains tax provisions that set forth tools for economic recovery, he said.

Several Senators spoke in support of the bill. Sen. Dick Day (R-Owatonna) said, "I'm proud to be a co-author on this bill. Northern Minnesota needs help and no region in the state should ever have to go it alone. Sen. Dan Stevens (R-Mora) also spoke in support, but said that members need to explore options of flood retention and mitigation to prevent future disasters.

Stumpf agreed that a long range plan is important and said that all through the summer concerned parties have been meeting to develop a whole host of mitigation efforts.

The bill was granted final passage on a 63-0 roll call vote.

The Senate also gave final passage to two bills revising state tax law. The issues arose after the regular session adjourned and were agreed upon by legislative leaders and the governor as legislation suitable for the Special Session.

H.F. 2, sponsored by Sen. Don Betzold (DFL-Fridley), responds to a decision of the Minnesota Supreme Court ruling parts of Minnesota's Alternate Minimum Tax (AMT) law unconstitutional. Betzold said the AMT was originally intended for higher-income filers. The provision struck down by the court allowed deductions for contributions made to charitable organizations located or active in Minnesota. By ruling the differentiation between in-state and out-of-state charities unconstitutional, Betzold said, the court effectively wiped out the charitable contribution deduction. He said that could mean a revenue gain of \$20 million per year for the state. However, Betzold said, the more important issue was the effect the ruling will have on charities. "Understandably, many organizations are worried that contributors will be discouraged," he said.

The bill allows a deduction for all charitable contributions, made to in-state or out-of-state organizations, above 1.3

percent of the taxpayer's federal adjusted gross income.

Sen. Edward Oliver (R-Deephaven) said he commends the governor and legislative leadership for setting a goal of keeping H.F. 2 revenue neutral. However, he said, an amendment he offered was not revenue neutral but had much to commend it. The amendment creates conformity between the federal and state AMT laws. Such a system, Oliver said, will make it more understandable and easier for taxpayers to implement. However, he withdrew his amendment. H.F. 2 was granted final passage, 63-0.

A bill offered by Sen. Ann Rest (DFL-New Hope), H.F. 3, was also granted final passage, 63-0. The bill clarifies legislative intent regarding sales tax liability on the delivery of gravel and aggregate materials.

During a brief recess, Majority Leader Roger D. Moe (DFL-Erskine) also recognized the legislative service of Sen. Martha Robertson. Robertson, who was first elected as a Republican to represent District 45 in the western Metro Area in 1992, decided this summer to pursue the office of lieutenant governor as a candidate of the Independence Party.

COMMITTEE ACTION

Taxes

Panel hears urgent issues

Members of the Tax Committee met Thurs., Sept. 19, to consider the three pieces of legislation included in the agreement reached between legislative leadership and the governor before the 2002 Special Session was convened. The panel, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.), heard from representatives of counties needing disaster relief aid, nonprofit groups and sellers and purchasers of gravel.

Sen. LeRoy Stumpf (DFL-Thief River Falls) presented the proposal for disaster aid for 19 counties declared as presidential disaster areas. "This summer has been, weather-wise, a tough one for parts of the state," said Stumpf, who represents Northwestern Minnesota. He said some areas received 12 to 18 inches of rain over about 2 days.

Tax provisions in the proposal include an exclusion from taxable value for improvements of up to \$50,000 to small business properties damaged during the floods and payment of flood loss

Senate Briefly is a publication of the Minnesota Senate Publications Office. During the 2002 Legislative Session, each issue reports daily Senate activities between Thursdays of each week, lists upcoming committee meeting schedules and provides other information. The publication is a service of the Minnesota Senate. No fee. It can be made available in alternative formats.

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replacement aid to cities that lost 5 percent or more of their total tax capacity. The legislation also includes early distribution of local government aid (LGA) and homestead and agricultural credit aid (HACA) to local governments that have suffered hardship because of the disaster. Also in the package is a provision reimbursing counties providing abatements on properties that lost more than 50 percent of estimated market value due to the flood and a provision allowing property owners to pay the second half of their property taxes late.

Stumpf, joined by Roseau Mayor Jeff Pelowski and former U.S. Secretary of Agriculture Bob Bergland, also presented a video of the devastation wrought by the June flooding.

The decision was made early on, Stumpf said, to protect the school, the hospital and the Polaris plant in Roseau. The school, which was fairly new, he said, was saved from flooding. The hospital and the plant escaped damage as well, he said, allowing the community to continue to have access to much-needed medical services and jobs. Saving the jobs at Polaris, Stumpf said, prevented a large migration of people out of the area. Even so, he said, most of the homes in the Roseau area were flooded.

Reacting to a decision of the Minnesota Supreme Court declaring unconstitutional a provision of Minnesota tax law differentiating between contributions to in-state and out-of-state charities, Sen. Don Betzold (DFL-Fridley) outlined legislation reinstating a deduction for charitable contributions made by alternative minimum tax (AMT) filers. He said the AMT was originally meant for high-income earners and had included a deduction for charitable contributions to organizations active in Minnesota. However, the court ruling effectively eliminated the deduction.

Betzold said the legislation is revenue neutral. The provision establishes a threshold of 1.3 percent of federal adjusted gross income (AGI). After a taxpayer has donated an amount equal to 1.3 percent of AGI, all contributions are fully deductible. He said the system created in the proposal creates an incentive to give more. Pogemiller said the Legislature had three basic options: slightly raising the tax rates under the AMT rules and allowing deductions regardless of location, setting a deduction rate equivalent to a percentage of total contributions and the proposal outlined by Betzold. Sen. William Belanger (R-Bloomington) said he supported the second option, and setting a

deduction percentage of 80 percent. Thus, he said, 80 percent of all contributions would be deductible. Taxpayers will understand the system more easily, he said, and the deduction will be easy to administer.

Representatives of several non-profit charitable organizations spoke in favor of the proposal. Byron Laher, United Way, said the real beneficiaries are the thousands of Minnesotans who receive the services of charitable organizations. Bill King, Minnesota Council on Foundations, said that foundation assets are dropping because of market pressures and charitable organizations should not be exposed to a decline in their assets and a possible decline in contributions because of tax law.

Sen. Ann Rest (DFL-New Hope) discussed the final piece of legislation to be considered by the Senate during the Special Session. The proposal adds to the definition of "sale and purchase" of delivery of aggregate materials and concrete block. The legislation clarifies that delivery charges by a third party are only subject to sales tax when the delivery charges would be taxable if provided by the seller of the product. Also included is a provision clarifying that delivery charges are not subject to the sales tax independent of the material being delivered.

Flood Relief Appropriations

Federal emergency funds match	\$8.3 million
Property tax relief: abatement aid	\$1 million
Agriculture	\$3 million
Business	\$3 million
Housing	\$4 million
Public infrastructure	\$2 million
Fuel-contaminated property	\$1 million
Local roads and bridges	\$1 million
Roseau School District flood enrollment impact	\$100,000
Bond sale expenses	\$30,000
State roads and bridges	\$2 million
Net new appropriations	\$29.43 million
Property tax relief: flood replacement aid	\$350,000
Flood prevention and control	\$2 million
Reallocated current funds	\$2.35 million
GRAND TOTAL	\$31.78 million

Capital Investment and Transportation and Public Safety Budget Division

Flood relief discussed

Members of the Capital Investment Committee and the Transportation and Public Safety Budget Division met the morning of Thurs., Sept. 19, to review provisions in the flood relief package that would be acted upon in the Special Session.

The joint panel, chaired by Sen. Keith Langseth (DFL-Glyndon) and Sen. Dean Johnson (DFL-Willmar), discussed the funding provisions of the relief bill. The measure, sponsored by Sen. LeRoy Stumpf (DFL-Thief River Falls), provides \$31.78 million for a variety of purposes to 19 Minnesota counties that have been declared disaster areas by the federal government.

Much of the funding relief is earmarked for flood ravaged counties,

Senate Highlights

particularly Roseau County, in Northwestern Minnesota.

City of Roseau Mayor Jeff Pelowski and former U.S. Secretary of Agriculture Bob Bergland spoke on behalf of the flood relief package.

Stumpf said that about a third of the package is from the general fund, more than half is from the sale of state bonds and the balance is from the trunk highway fund and petroleum tank release cleanup fund. According to Stumpf, the general fund appropriations come from the cancellation of an appropriation for highway projects which will be made up for by the sale of trunk highway bonds.

Under the measure, \$8.3 million is to be used for matching federal emergency

funds, \$1 million for property tax relief abatement aid, \$3 million for agriculture relief, \$3 million for business assistance, \$4 million for housing assistance, \$2 million for public infrastructure assistance, \$1 million for fuel contaminated property assistance, \$5 million for local roads and bridge assistance, \$100,000 for the Roseau School District and \$2 million for state roads and bridges.

Stumpf emphasized the immediacy of the need for flood relief. He said that funding is vital for communities to take the necessary actions before winter sets in. In particular, Stumpf said, there is an urgent need to repair dikes and storm sewers before cold weather.

Bergland, who is chairing a Roseau County commission on flood mitigation and represented Northwestern Minnesota in Congress from 1971 to 1977, said that efforts are underway to plan and implement projects to avoid further flooding in the area.

Pelowski said that of the 1,100 homes in the city of Roseau, 875 were flooded and about 200 of those sustained damage above the first floor level.

Both Bergland and Pelowski also spoke about the tremendous volunteer efforts that have taken place since the summer flooding and the gratitude felt on the part of the community to the volunteers.



Majority Leader Roger D. Moe presented retiring Sen. Martha Robertson with a plaque recognizing her 10 years of service to the Senate and the people of her district in the Western Metro Area. Moe and Robertson are both leaving the Senate to pursue higher office.

Photo by David J. Oakes